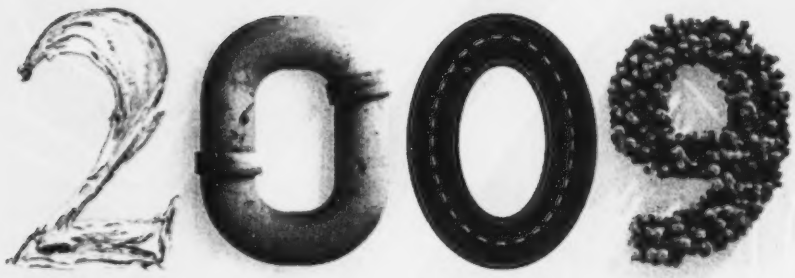
City of Saskatoon



ANNUAL REPORT

SASKATOON, SASKATCHEWAN, CANADA YEAR ENDED DECEMBER 31, 2009

Vision

Our vision for Saskatoon, building on our history, includes an enhanced quality of life; a vibrant economy; responsible, progressive environmental management; continued river valley stewardship; recognizing the diversity of neighbourhoods while promoting a united community; planned growth; and regional and global opportunities.

Mission

Our corporation, the City of Saskatoon, exists to provide excellent local government through leadership, teamwork, partnership, and dedication to the community. We will facilitate effective and efficient delivery of public services and nurture the economic, environmental, social, and cultural well-being of the community, now and in the future.

Values

In order to achieve our vision, we commit ourselves to quality service, fiscal responsibility, high performance, respect for others, providing open and accountable government, a supportive work environment, and a cooperative spirit.

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City of Saskatoon

City of Saskatoon 2009 Annual Report
Year Ended December 31, 2009
Saskatoon Saskatchewan Canada

Prepared and produced by City of Saskatoon
Comptroller's Branch and Communications Branch

Financial Statements presented to City Council August 18, 2010
Annual Report presented to City Council September 13, 2010

Letter of Transmittal

City of Saskatoon

August 18, 2010

His Worship, the Mayor
And Members of City Council

I am pleased to submit the City of Saskatoon's Annual Financial Report for the year ended December 31, 2009. The Annual Financial Report is submitted pursuant to Section 155 of *The Cities Act*. The financial report includes consolidated financial statements for the City of Saskatoon reporting entity as required by the Public Sector Accounting Standards Board (PSAB).

The purpose of this report is to provide financial, statistical and other information about the City of Saskatoon and related entities to allow readers to gain an understanding of the City and the resources available to the City.

The Annual Financial Report consists of the following sections:

> The introduction familiarizes readers with the political and organizational structure of the City, reviews the City's accomplishments over the past year, and describes the nature and scope of the services provided by the City.

> The Financial Section includes the Consolidated Financial Statements.

> The Financial Statement Discussion and the Statistical Section provides additional explanation and trend analysis to provide a broader understanding of the financial statements.

The preparation and presentation of the financial statements and related information contained in this report is the responsibility of management of the City of Saskatoon. The statements have been prepared on a basis consistent with the recommendations of PSAB. Included in the consolidated financial statements are those entities that are accountable to and owned or controlled by the City of Saskatoon. These entities include: the Saskatoon Public Library; Saskatoon Police Service; Saskatchewan Place Inc (operating as Credit Union Centre); Saskatoon Centennial Auditorium (operating as TCU Place); and the Mendel Art Gallery.

City Council appointed the accounting firm of Deloitte & Touche, LLP to perform an independent audit of the City's 2009 financial statements, and their report is included herein. The accuracy and reliability of the financial information is ensured by the City's system of internal controls. The Audit Committee reviews the external auditor's plan, and ensures corrective action is taken for weaknesses identified in the City's internal control system. An internal audit function through the services of Nicole Garman and Ian Weimer also report to the Audit Committee ensuring internal controls and procedures are in place and adhered to through a series of internal audits and reviews.

As noted, the consolidated financial statements include information on the City's financial position and operating results, along with those of several related entities. The City's operations are typically segmented (General Operating, General Capital, Utility Operating and Capital) for budgeting and reporting purposes. For the purpose of the consolidated financial statements, the financial position and results of all the segments are brought together.

The attached financial statements reveal that the City ended the year with an operational surplus of $3,655,000. The primary reason for this favourable variance is due to early hiring and spending controls implemented by the City Manager mid-year in light of a forecasted deficit.

The City's 2009 capital program included planned expenditures of $241,700,000. These expenditures were financed from reserves, development levies, contributions from developers, Federal and Provincial grants, gas tax revenues from the Federal Government and borrowing.

The City continues to receive positive reviews from Standard and Poor's (S&P) which reconfirmed the City's AAA rating.

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Canadian Award for Financial Reporting to the City of Saskatoon for its annual financial report for the fiscal year ended December 31, 2008. The Canadian Award for Financial Reporting program was

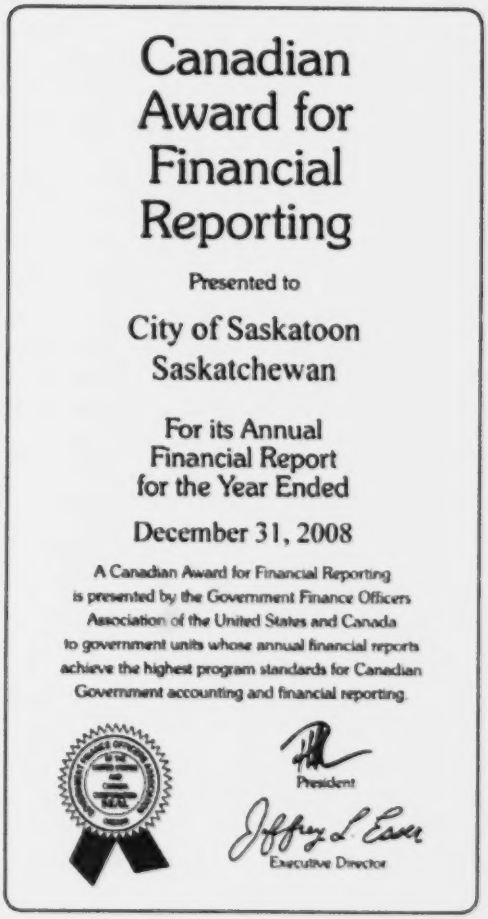
established to encourage municipal governments throughout Canada to publish high quality financial reports and to provide peer recognition and technical guidance for officials preparing these reports.

In order to be awarded a Canadian Award for Financial Reporting, a government unit must publish an easily readable and efficiently organized annual financial report, whose contents conform to program standards. Such reports should go beyond the minimum requirements of generally accepted accounting principles and demonstrate an effort to clearly communicate the municipal government's financial picture, enhance an understanding of financial reporting by municipal governments, and address user needs.

A Canadian Award for Financial Reporting is valid for a period of one year only. We believe our current report continues to conform to the Canadian Award for Financial Reporting program requirements, and we are submitting it to GFOA.

Respectfully submitted,

Marlys Bilanski, CMA, FCMA
General Manager, Corporate Services


Canadian
Award for
Financial
Reporting
Presented to
City of Saskatoon
Saskatchewan
For its Annual
Financial Report
for the Year Ended
December 31, 2008
A Canadian Award for Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units whose annual financial reports achieve the highest program standards for Canadian Government accounting and financial reporting.
President
Executive Director

Message from the Mayor

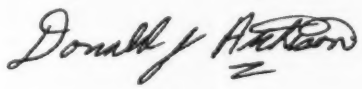
Mayor Donald Atchison

2009 was a very exciting year for the City of Saskatoon as you will read in the following report. We opened new facilities and were finally able to showcase them to our residents. But the work didn't stop there. We started construction on many new projects and began planning for our larger infrastructure initiatives for the future.

In the midst of doing our day-to-day business, we received some accolades for that work. In September 2009, Saskatoon was named Canada's second best run city by Maclean's magazine. Then in October, the Canadian Federation of Independent Business recognized Saskatoon as Canada's most business-friendly city. We were delighted to receive these titles, and know that it's because of the hard work and dedication of Council and our employees.

Delivering services to our citizens is what we do best, but the landscape is changing. Running a city is more complex than ever before. We need new ways of thinking and doing business in order to respond to the more intricate challenges and opportunities in our community. We are at a crossroad and realize we need a bigger plan in order to build on Saskatoon's success. That's why in 2010, the City of Saskatoon will be launching a comprehensive Community Visioning initiative to obtain ideas and input from our residents as we plan and build our city to a population of more than half a million citizens. We hope this initiative will set our city on course for the creation of a vibrant and sustainable future. This visioning exercise will help develop a long-term strategic plan that captures a diversity of ideas, aspirations and dreams for the future of our city.

We are tremendously excited about what 2010 holds for us. I am incredibly proud of all citizens that have brought Saskatoon so far, and I know 2010 will position Saskatoon to be a leading Canadian municipality. Together, we are going to be bold, visionary, and shape the city we all envision.



Donald J. Atchison, Mayor

August 2010

City Council 2009-2012

The City of Saskatoon is governed by an act of legislation of the Province of Saskatchewan known as *The Cities Act*. The Mayor is the Chief Executive Officer of the City.

Administrative powers and duties have been delegated to the City Manager who is appointed by City Council. The Council consists of the Mayor and ten Councillors, elected for a period of three years. Each Councillor represents a specific ward or area of the city.

City of Saskatoon

Mayor Donald Atchison

Councillor Darren Hill
Ward 1

Councillor Pat Lorje
Ward 2

Councillor Maurice Neault
Ward 3

Councillor Myles Heidt
Ward 4

Councillor Gordon Wyant
Ward 5

Councillor Charlie Clark
Ward 6

Councillor Bob Pringle
Ward 7

Councillor Glen Penner
Ward 8

Councillor Tiffany Paulsen
Ward 9

Councillor Bev Dubois
Ward 10

Message from the City Manager

Murray Totland
City Manager

On behalf of the Administration, I am pleased to present the City of Saskatoon's 2009 Annual Report. The Annual Report provides consolidated financial statements for the City of Saskatoon, and an overview of the major initiatives that we achieved in 2009 as they relate to each of the eleven core strategies identified in the City of Saskatoon's Corporate Business Plan.

When I reflect on what was accomplished over the past 12 months, I am very proud of the work we do as a City to serve our citizens. Internally, the City of Saskatoon has been going through a corporate-wide transformation so that we can become more efficient in delivering vital public services to our taxpayers. In doing so, our management and staff have been taking a fresh look at how we operate, including how we can be more adaptive and responsive. We are undertaking this work with a focus on improving our services, increasing our savings, and growing our city in a sustainable way. When we reviewed our efforts and reported on our achievements, we found that we realized savings of approximately $65 million in 2009. This could not have been accomplished without the commitment of the City of Saskatoon's dedicated employees.

In 2009, many jurisdictions throughout the world felt the effects of the global economic recession. Although Saskatoon was not immune from this economic downturn, we did benefit from better than expected economic activity, which translated into low unemployment and strong population growth. Over the past year, our city grew by an estimated 5,000 people.

Thanks to the assistance from our federal and provincial partners, the City of Saskatoon was able to make significant and necessary investments in municipal infrastructure. In fact, our 2009 Capital Budget provided a record investment of $241 million in various infrastructure projects aimed at improving our mobility, protecting our environment, and enhancing the quality of life for our citizens.

I am very pleased to report that the financial position of the City of Saskatoon remains strong. In 2009, the City of Saskatoon maintained its AAA credit rating--the highest available. This rating is a reflection of the City's strong financial stewardship.

One of our biggest accomplishments over the past year was the official opening of the Shaw Centre, a state of the art recreational facility that significantly improves the health and wellness opportunities for the citizens of Saskatoon. It houses an international competitive swimming pool, along with other fitness components. It has already hosted many international swim meets, and we've heard nothing but compliments from the participants.

We also opened the riverfront promenade at River Landing Phase II. Now our residents and visitors can stroll along the whole River Landing site and enjoy all the amenities of the parks, public art, and sitting areas along the beautiful South Saskatchewan River.

As we move forward, we will be continuously revising our operations to ensure we are responsive and adaptive to the changing needs of our organization and the citizens we serve. In 2010, for example, the City of Saskatoon will be implementing a new budget process, a new corporate planning process, and preparing a new long term strategic plan.

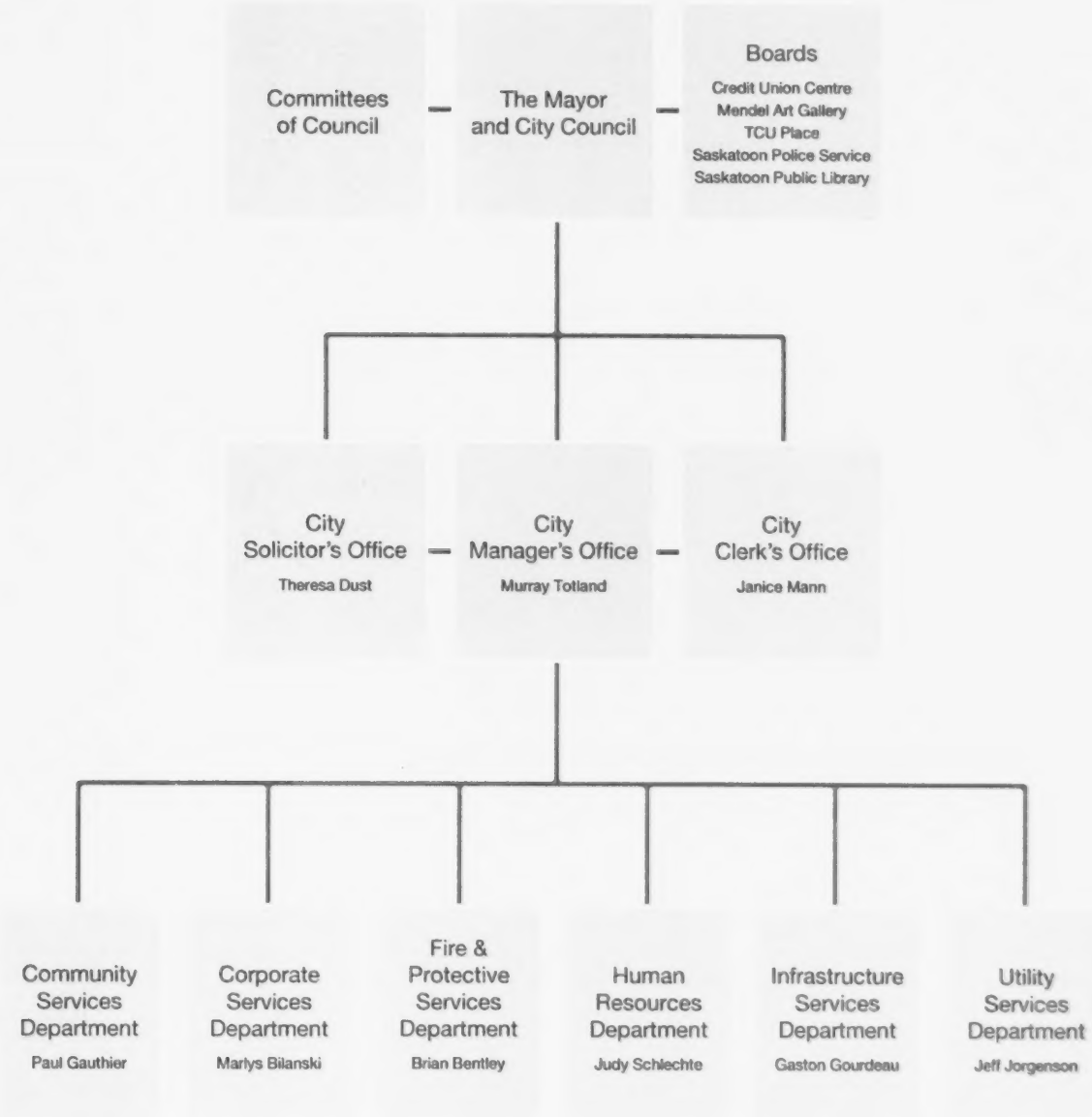
But what I am most excited about is the fact that we will be engaging our citizens in a community visioning exercise that will help to capture the ideas our citizens have for Saskatoon's long-term future. This process will help to guide the City of Saskatoon in making strategic planning and investment decisions over the next 50 years.

It has been my honour and privilege to have guided the City of Saskatoon in 2009, my first year as City Manager. I look forward to 2010 and the tremendous opportunities that await both the corporation and the community.

Murray Totland , P.Eng., MBA
City Manager

August 2010

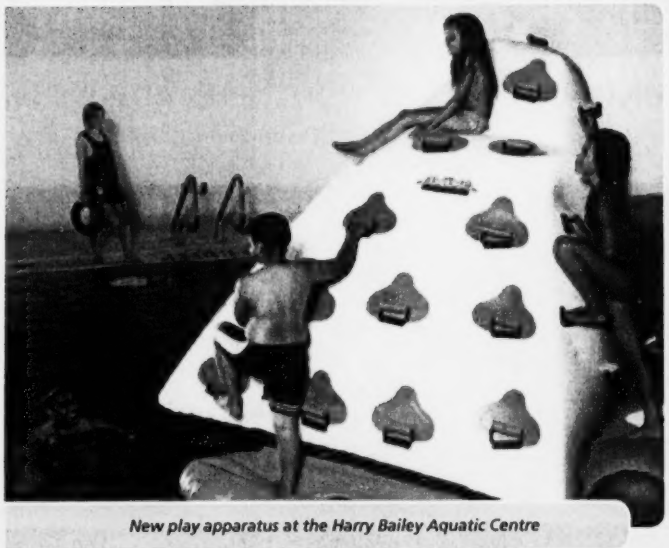
2009 City of Saskatoon Organizational Chart



Core Strategy: Service Delivery

Optimize the effective and efficient delivery of services.

The life and usefulness of existing civic facilities can be enhanced through creative adaptive re-use like the new play apparatus and a new wellness facility model at the Harry Bailey Aquatic Centre (HBAC). These initiatives will allow HBAC to develop new markets that will improve the bottom line of the facility while providing healthy options for Saskatoon residents. The City is also exploring viable business plans to expand Gordon Howe Bowl to more of an event facility from a rental facility.



New play apparatus at the Harry Bailey Aquatic Centre

The City of Saskatoon already partners with the United Way of Saskatoon & Area and the Urban Aboriginal Strategy to streamline the granting process for community-based organizations (CBOs) seeking funding for human service projects and initiatives. Further enhancements in 2009 and 2010 include a web-based application process and database making it possible for CBOs to apply online, and allowing funders to better analyze the information submitted and report back to taxpayers.

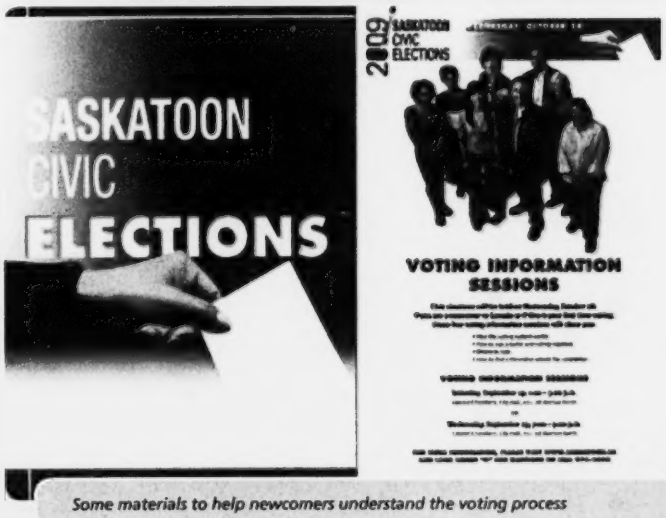
The 2009 capital budget included $260,000 for Accessibility Action Plan projects, including replacing some accessible ramps, installing audible pedestrian traffic signals, formalizing service level guidelines for sidewalks and conducting a sidewalk condition audit and rating, creating a comprehensive accessibility building design standards document, and conducting facility assessment audits of our civic centres.

In 2009, the Administration conducted public consultation to confirm the Program Plan and the Conceptual Design for the City Gardener's Site. In 2010, the Administration will continue to develop the detailed design for the sites and will begin construction of this park enhancement.

Core Strategy: Multicultural Cooperation

Recognize the cultural diversity of our community and support growth through immigration.

As part of the City's ongoing action plan on immigration, the focus in 2009 was on easing the transition for newcomers to ensure they have the information they need to participate in and take advantage of civic services and processes. The City held voter information sessions for newcomers in advance of the 2009 civic election, as well as information and awareness sessions on civic programs and services. In addition, the City assisted in establishing the terms of reference and operating model for a newcomer information centre, which opened downtown in March 2009.



Some materials to help newcomers understand the voting process

Community-based sector forums on immigration, including sessions for community associations to learn how best to invite and engage newcomers, were held in 2009. A multicultural playground program piloted in the Meadowgreen neighbourhood sought to bring children from that community's diverse population together.

Attracting newcomers to Canada is part of a broader strategy to address labour shortages in our province. The City partnered with community-based settlement agencies to develop mentorship and work experience programs. As well, the City provided several mentorship placements for newcomers in a variety of departments throughout the corporation.

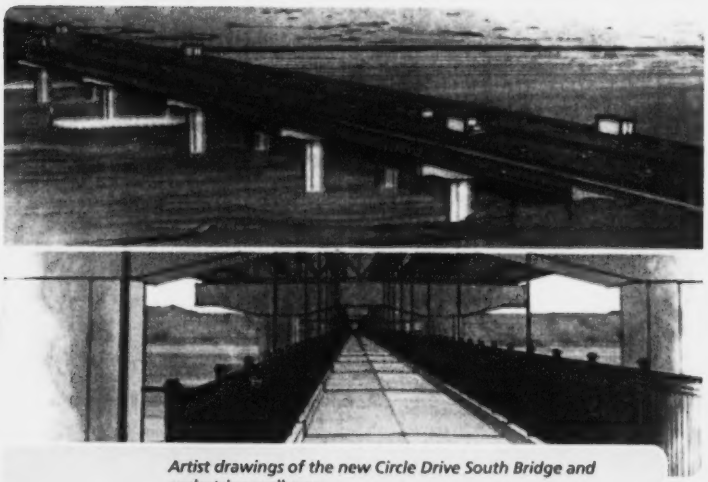
As part of an action plan to gauge youth perception on the state of racism in Saskatoon, the City hosted focus group discussions with both youth and adults. Recommendations to City Council included working with young people to establish a forum for youth to have a voice in addressing the issues of racism and discrimination.

Core Strategy: Infrastructure Management

Build, maintain, and operate the City's infrastructure in a manner that maximizes current infrastructure, fosters growth, and is fiscally sustainable.

Decisions on infrastructure today are made with a long-term focus. Our city's infrastructure needs to be planned to accommodate a growing population, which affects everything from traffic to wastewater, fire halls to sewers.

The $300 million Circle Drive South Project is more than just the new south bridge. With seven kilometres of freeway, four new interchanges, and pedestrian and cyclist facilities, it is the largest project in Saskatoon's history. The City is sharing the cost with the provincial and federal governments. Both commuters and goods will travel through the city more quickly, significantly reducing congestion in the city's core and connecting the southwest and east sides of the city. Final plans were finished and preliminary tenders were issued in 2009, with the awarding of the Design Build contract in spring 2010 (the design/build process is where the contractor designs and builds the project).



Artist drawings of the new Circle Drive South Bridge and pedestrian walkway

The Rotary Park Lift Station, scheduled for completion in late summer 2010, will replace the 60 year-old Powerhouse Lift Station that can no longer handle the demand of wastewater from south-central neighbourhoods.

In 2010, Administration will continue to develop a long-term accommodation strategy for civic office space, including adaptive reuse of the existing Police Headquarters on 4th Avenue North and the redevelopment of existing City Hall office space, to eliminate the need for leased office space.

Core Strategy: Aboriginal Partnerships

Build on the strength of our existing relationships with Aboriginal communities.

The fastest growing population in our province and our city is First Nations and Métis people, so the City is collaborating with Federal, Provincial and Aboriginal governments in addressing issues key to the foundation of a thriving community – a good place to live, a chance to learn employable skills, and access to healthy activities as part of an active lifestyle.

The City's Housing Business Plan funded a number of First Nations Affordable Housing Projects in 2009. In addition, with support from the Government of Saskatchewan and Saskatoon Tribal Council, the City funded pre-employment training programs and filled positions with Aboriginal applicants.

In 2009, many civic-supported programs and initiatives focused on increasing wellness amongst Aboriginal people, including fitness and play leadership training and certification, Aboriginal Lifeguard Program, Urban Aboriginal Community Grant Program, "Opening the Doors to Volunteering" workshops, and Atoské Summer Camp. Atoské Summer Camp provided skills training and an introduction to career opportunities with the City for youth from the seven member bands of the Saskatoon Tribal Council.

Providing opportunities for youth to learn about careers with the City is the first step in ensuring an adequate pool of employees in years to come. As part of a strategy to reach a broad spectrum of young people, the City had a presence at several on-reserve career fairs and is an organizing sponsor of a career fair targeted for Aboriginal youth in 2010. Administration is working with the Saskatoon Tribal Council and Gabriel Dumont Institute to explore the possibility of establishing an Aboriginal Mechanic Apprenticeship Program.

A two-year pilot project that saw a City employee seconded to Central Urban Métis Federation Incorporated (CUMFI) to assist them in developing neighbourhood sport, recreation, and culture initiatives came to an end in 2009. Administration plans to seek a different arrangement with CUMFI to continue to support these community programs.

Core Strategy: Environmental Commitment

Exercise responsible, progressive environmental management in the provision of all civic services.

The City of Saskatoon continues to implement plans as part of good environmental stewardship in the areas of water, waste management, transportation, alternative energy, and neighbourhood planning.

75,000 tons of concrete, brick, asphalt and other inert material diverted from the landfill was crushed and is being used in roadbed construction, saving $1.65 million.

Effective Waste Management

The City has begun planning and feasibility studies on a city-wide compost program. In addition, the City's two compost depots now accept non-elm branches. Once chipped, these branches provide a vital carbon source for the composting process. The volume of material composted at these depots has increased exponentially in the last three years: from 3,027 metric tonnes in 2007, to 4,261 in 2008, and 17,500 in 2009. In late 2010, a new composting facility will be tendered for construction, with the potential for this facility to be integrated with the existing biosolids facility. Funding in 2010 will also allow significant expansion of the leaves and grass collection program for 2011.

The Household Hazardous Waste Collection Program now operates 16 Saturdays per year, and provides safe recycling/ disposal options for a wider range of hazardous materials.

Many neighbourhoods were converted from shared to individual waste containers. The conversions were not without logistical and operational challenges, but Administration worked with the neighbourhoods to determine whether bins would be placed in the rear lane or front street. Individual household needs continue to be accommodated on a case-by-case basis.

Water Stewardship

A new river water intake pumphouse will ensure that all raw water intake occurs upstream from where storm water discharges, and in addition, it will increase water capacity and improve reliability. Construction of the pumphouse and access roads on the east side of the river across from the Queen Elizabeth Power Station began in 2009 and is scheduled for completion in June 2011.

Dams in the river keep water out during construction of the new water intake

Long-term planning is critical to ensure a safe and adequate water supply for the population that respects environmental stewardship and conservation of the South Saskatchewan River. In 2009, the City of Saskatoon looked at how we get, treat, use, and conserve our water, and examined the existing infrastructure to assess both capacity and life expectancy. Alternate disinfection options, the need for and timing of a potential new Water Treatment Plant, a new rate structure that encourages household water conservation, and an Automated Irrigation Management System that fits into the City's Energy and Greenhouse Gas Management Plan were all part of the work in 2009.

Getting Around

A Cycling Advisory Group made up of cyclists of different abilities and from different areas of the city was created to obtain feedback on cycling initiatives. The Downtown Cycling Plan, implemented in summer 2009, included painting "sharrows" that indicate shared-use lanes on selected downtown streets and public education strategies for drivers and cyclists. Designs are underway for various cycling facilities, including 33rd Street between Spadina Crescent and Idylwyld Drive, for 2010 construction.

Sharrows, as part of the new Cycling Plan, tell bikes and cars they need to share the road

A Transportation Demand Management strategy is in the works that will examine current modes of transportation – bicycles, walking, buses, and cars – and an implementation plan will be completed in 2011. Meanwhile, several City departments are working with Meewasin Valley Authority and Tourism Saskatoon to develop a strategy for showing residents and tourists how to explore our city on foot, by bike, and transit services.

Thanks to 60 new bus bike racks, most buses on regular routes will soon be able to carry bicycles.

Energy Options

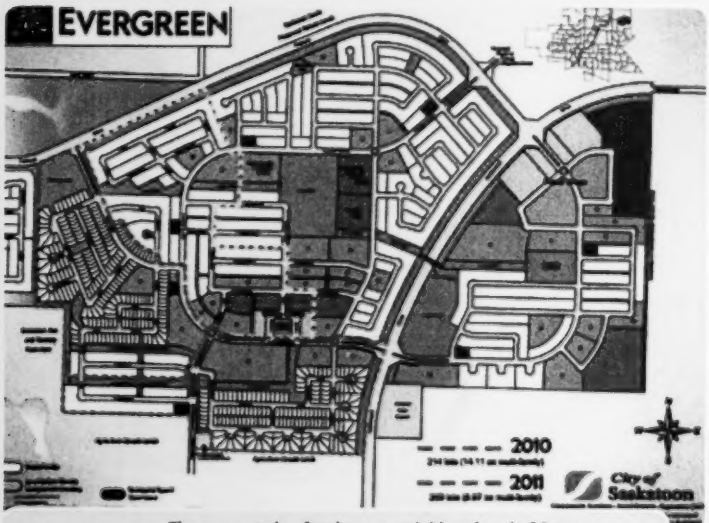
Alternative energy options may be available to reduce the City's reliance on carbon-based systems. Very preliminary research indicates that there is a good business case for a wind turbine at the Landfill, a gas-to-electricity project at the Landfill, and a hydropower station on the river at the weir. More detailed investigations are proceeding on these potential projects, which could provide enough power for 6,000 homes and reduce greenhouse gas emissions by 120,000 tonnes per year – that's like removing 20,000 vehicles from our roads.

Concerted efforts are made with both new and existing buildings and facilities to ensure that they make the most of the energy they use. To assist in water heating, solar thermal panels were installed at Saskatoon Light & Power's Operations Centre in 2009. All new civic facilities under construction (Access Transit storage facility and Fire Hall #8) and planned (new Saskatoon Police Service Headquarters) will be constructed under LEED (Leadership in Energy and Environmental Design) certification.

A project to review the energy efficiency of all civic facilities was started and an upgrade program is underway, with the cost of improvements paid for by the energy savings.

New Approaches to Neighbourhoods

Approved in 2009, the new Evergreen neighbourhood will be a sustainable neighbourhood northeast of the University of Saskatchewan. Evergreen will feature an integrated linear park trail system within the neighbourhood with outside connections to other neighbourhoods, a "green" bridge linking the two sides of the neighbourhood over an arterial road, as well as a village centre and village square. Sixty percent of the single-family lots in Evergreen will be oriented to maximize solar energy options. Lots in Evergreen will go on sale in fall 2010.



The concept plan for the new neighbourhood of Evergreen

Core Strategy: Employee Relations

Encourage and support employees to achieve corporate objectives by reaching their full potential.

Recruiting and keeping talented and dedicated employees is guided by an overall approach that includes caring for the physical and mental well being of employees – on and off the job.

The Corporate Safety Management System (CSMS) currently under development is divided into four key areas: people; process; technology; and strategy. Department Health and Safety Superintendents worked to improve accident/incident investigation, work observations and inspections, as well as development and revision of Occupational Health and Safety policies and procedures. By analyzing the root cause of incidents, staff will be better able to prevent injuries and equipment breakdowns.

A Health Management System, launched as a pilot project with Saskatoon Light & Power, will be implemented throughout the rest of the corporation in 2010. This system promotes an early and safe return to work, supporting the employee from the first day of injury or illness, through to a return to their job or a job accommodation.

The Wellness Committee, comprised of union and management members from all City departments as well as civic boards, met every two months to discuss health improvement and wellness initiatives and programs. Programs included smoking cessation seminars, diabetes awareness, Weight Watchers, motherhood support group, fitness programs, a fun run, and many more. Leisure Card and bulk ticket subsidies have made it easier for more City employees to access civic fitness facilities. There was also an increase in the number of ergonomic assessments and training sessions.

Succession planning and career enhancements are closely linked. With the "Expression of Interest" process, the City can look within first to assess and support employees who seek new challenges and responsibilities. This model was first applied to Infrastructure Services in 2009 and will be customized throughout the corporation to integrate with department operations in the coming year. Corporate funding is now available for employees pursuing careers within the City of Saskatoon where shortages exist or recruitment has proven difficult. An enhanced recruitment and retention marketing program will be rolled out in spring 2010.

Managers and supervisors were provided guidance on supporting employees' work-life balance needs. Human Resources and department management work together to consistently consider all work-life balance requests and support alternative options for employees to perform at their best.

Ensuring that all employees' contributions are valued and respected is a high priority. "Excellence Within Us" is an initiative aimed at creating a more constructive and positive work environment. By working together as a team, we will be more creative, innovative, and will set the bar high for efficient municipal government. In 2009, the majority of civic employees attended the four-day training sessions, with the remainder to attend in 2010.

Core Strategy: Economic Development

Create an environment that encourages economic development.

River Landing – Phase I

A $26 million investment from the federal and provincial governments announced in September 2009 will advance the plans for a Destination Centre at River Landing. Once complete, the Destination Centre will include the Art Gallery of Saskatchewan, complete with restaurant, gift shop, reception and information kiosk, a public gathering space and winter haven for River Landing visitors, an underground parking garage, and an expansion to the existing Persephone Theatre. In 2010, a functional plan program will be completed and the architectural design team will be selected.

The City's Sales Agreement with Lake Placid Developments for Parcel "Y" and the adjacent lane for the River Landing Village Project expired when Lake Placid could not meet the final payment deadline. Administration is preparing an RFP for Parcel "Y" with new appraisals to be ready to present to City Council in spring 2010. (Note: since the time of writing, City Council approved the sale of land to Lake Placid Developments (Saskatchewan Inc.) in June 2010).

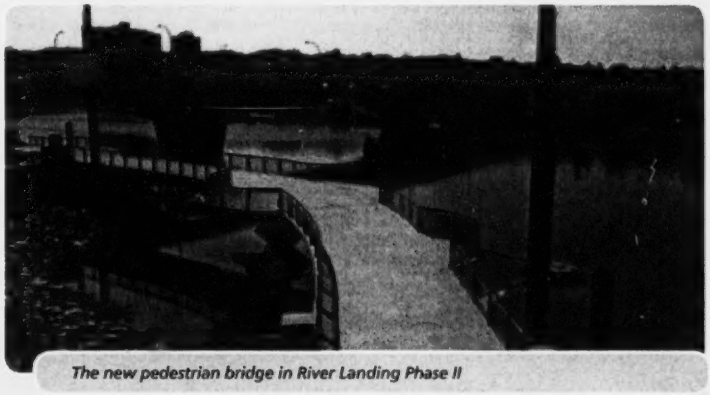
River Landing is a prime destination for citizens and visitors to enjoy our river valley. Beautiful new details were unveiled in 2009, including a new decorative arch and paving that features both actual stonework and design inspiration from the Gathercole Building which once stood at the site. Just north of Persephone Theatre is Tibor Plaza, a seating and recreation area named after Persephone's long-serving artistic director, Tibor Ferehegyhazi.

The Gathercole Arch welcomes visitors to River Landing from 2nd Avenue. A second arch will be built across the street in 2010

Further enhancements for enjoying River Landing scheduled in 2010 are a decorative fire vessel, which will make gathering year-round more cozy, as well as construction on the river tributary that passes under the pedestrian bridge.

Phase II

The Riverfront Promenade opened August 21, 2009, connecting River Landing with Victoria Park. Scheduled to open in 2010 is the pedestrian connection to the riverfront from Avenues B and C and Spadina Crescent.



The new pedestrian bridge in River Landing Phase II

Thanks to barrier walls, landscaping and state-of-the-art playground equipment, barren space next to the electrical substation is now a safe and accessible place to play in Isinger Park, opened to the public in August 2009.

The reconfiguration along 19th Street, including surface parking and streetscaping, was substantially completed. Construction was also completed along Avenues A, B, and C. The roadways now link and loop the area to the west of the Farmers' Market.

Residential Lot Inventory

2009 saw a total of 560 fully serviced lots ready for sale, and partial (water and sewer only) service to an additional 665 lots in Willowgrove, Hampton Village, Evergreen, and Rosewood. This met the goal of residential inventory limits for the year.

Official Community Plan and Zoning Bylaw

Community engagement processes have begun to explore various options to diversify and rejuvenate existing neighbourhoods, including infill development options. The goal is to attract and facilitate investment within the City's planning district.

City Centre Plan

Administration is seizing the opportunity to look at all aspects of our city's centre – streetscaping and traffic flow, new housing, new transit and library facilities, amenities for pedestrians and cyclists, and the development of public spaces such as a new Civic Plaza. Public consultation and community engagement, examining how we use our downtown – and how we could use

it – will inform fundamental changes for central Saskatoon. The Saskatoon of the future will look and feel very different. With stewardship and good planning, Saskatoon's centre will be the focus of a city which is lively, attractive, safe, sustainable, and healthy.

In October 2009, Saskatoon was named Canada's most business-friendly city by the Canadian Federation of Independent Business.

The design and construction of the 25th Street expansion has been delayed pending an agreement with the railways. The anticipated completion is in 2011/2012.

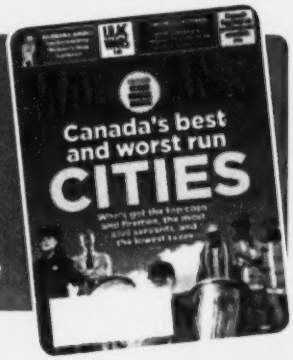
A call for proposals was issued in 2009 for the development of the Arthur Cook building (current City Purchasing Services), and a plan to explore options for City Yards is to be prepared in fall 2010.

Saskatoon's existing Police Headquarters is significantly short of space. A modern facility that provides adequate space both for personnel and to support specialized police functions that accommodate 24-hour, 365-day operations is required. To be designed in 2010, the new headquarters will include specialized secure storage for court evidence, as well as the equipment needed by Specialty Teams including the Explosive Disposal Unit and the Emergency Response Team. Construction is scheduled to begin in 2011 with completion targeted for 2013.

Master Future Growth Plan

The Master Future Growth Plan sets the development of our city, and changes over time with considerations such as environmental sustainability, population growth trends, and public appetite for change. City Council will receive an interim report in 2010 that will explore a more sustainable form of development that encourages compact city form and overall incremental diversification of the city. Infrastructure requirements and estimated capital costs are a part of an examination of neighbourhood densification and expansion.

In September 2009, Saskatoon was named Canada's second best run city by Maclean's magazine



Core Strategy: Customer Service

Customers come first – provide responsive and flexible customer service.

The City continued to examine options for using parking meters, with a focus on expanding the cell phone payment system. The pay-by-space technologies to be tested in 2010 should enhance flexibility for customers. Administration is hopeful that partnerships with other municipalities will improve service and decrease capital costs.

A new Leisure Access Program that provides Leisure Cards to refugees has proven to be successful, but there are difficulties in expanding the program to a broader segment of low-income and transient populations who would certainly benefit from the service. One way to address this is to work with agencies who already serve these populations. City Council will review a report on this matter in spring 2010.

Isinger Park in Riversdale and Morris T. Cherneskey Park in Blairmore both opened playground units accessible for children with mobility disabilities in 2009. The federal government's Recreational Infrastructure Canada program will fund the construction of another such unit at the Saskatoon Forestry Farm Park & Zoo. Funding for a unit in W.W. Ashley Park in Haultain will be considered in the 2011 capital budget.

Isinger Park in River Landing Phase II

In 2009, the City launched some new online services, including an online business directory, eBill and My Utility Account (which gives utility customers the option of receiving their bill electronically and to access their account history and utility consumption data online). Services to be accessed online in 2010 are building information abstracts, property information disclosures, subdivision applications, building permits and business licenses.

Major findings of the 2009 Civic Services Survey:

91%

of residents rate the quality of life in Saskatoon as good to very good (up from 90% in 2008)

82%

of residents believe that the programs and services they receive from the City of Saskatoon provide good or very good value for municipal tax dollar (decrease from 87% in 2008)

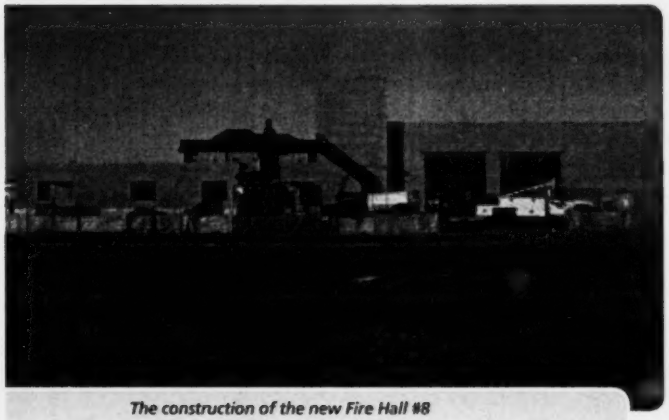
90%

of residents are satisfied or very satisfied with the overall level of services provided by the City of Saskatoon (up from 88% in 2008)

Core Strategy: Community Safety

Optimize the safety and security of our community.

The sod was turned in late summer 2009 for Fire Hall #8 in the Lakewood Suburban Centre, with completion scheduled for fall 2010. Its strategic location will allow this hall to meet the national four-minute response time standard for the neighbourhood it serves, and contribute to the eight-minute full first alarm response for the east side of the river.



The construction of the new Fire Hall #8

An occupancy bylaw under development is expected to be approved in 2010 or 2011. It will provide assurance that buildings where people live, assemble or play are safe to occupy after construction is complete or nearly complete.

The Saskatoon Police Service's new Crime Free Multi-Housing Coordinator worked closely with Community Services and Fire & Protective Services to implement a proactive crime-prevention initiative that focused on partnerships, training, communication protocols, and property management standards to reduce the level of illegal and nuisance activity at rental properties.

Reviews of pedestrian safety, especially routes used most by children to and from schools, are underway. These reviews will inform plans for enhanced pedestrian facilities in 2010.

Year round, Saskatoon Fire & Protective Services has been an active participant in Needle Safe Saskatoon. All eight fire halls are now needle drop-off locations for residents who have found needles that need to be disposed of safely.

The City of Saskatoon created a corporate pandemic response plan in preparation for the possibility of a global H1N1 pandemic in 2009. Plans included health and wellness education for all 2,500 employees, a sick-reporting database, and contingency plans for reduction of civic services in case staffing levels dropped to certain levels.

Core Strategy: Community Development

Enable active community-based participation in issue and problem identification, and resolution.

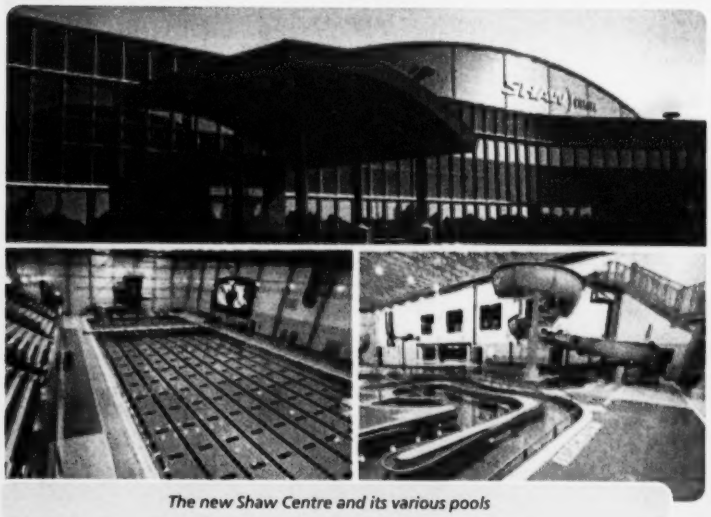
Saskatoon strives to provide a high quality of life for all residents, which includes affordable housing, recreational facilities, vibrant neighbourhoods, and excellent education. 2009 saw progress in all these areas.

As Saskatoon grows, so does the need for elementary schools and gathering places for newly developed communities. The City is working with the Ministry of Education, Saskatoon Public Schools, and Greater Saskatoon Catholic Schools on the Willowgrove Integrated Community/School Facility project. Building on assessments of possible needs of students and the community on how to best create an integrated facility, the Provincial Government announced funding in spring 2010 for the detailed design.

A community-wide Culture Plan and Strategy for Saskatoon is in the early stages. In Phase I, research consultants conducted an audit and analysis to capture a detailed picture of the current arts and heritage issues, policies, programs, and systems within our city. Phase II consisted of a consultation with over 100 arts and cultural stakeholders in March 2010. Phase III involves a Culture Plan Forum in the fall of 2010 to review and discuss vision, principles, and strategic directions, with a draft plan due in winter 2011.

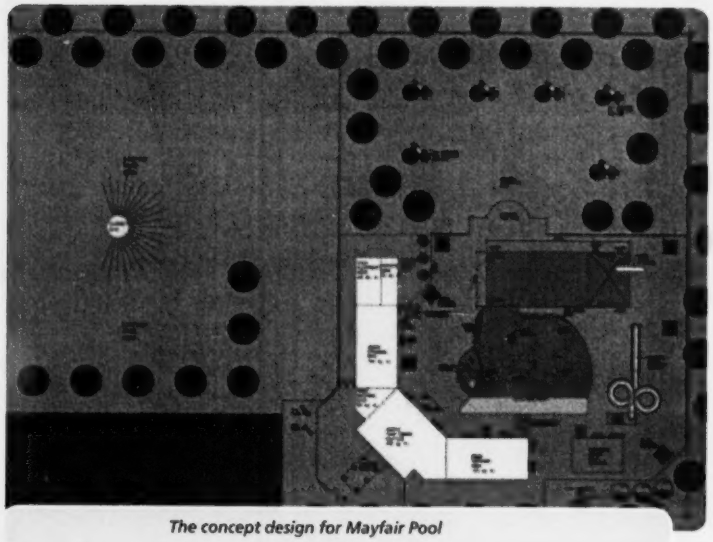
The Shaw Centre, Saskatoon's sixth leisure centre and one of the finest facilities of its kind in Canada, officially opened on September 26, 2009. It features a 10-lane high performance competitive pool with springboard and platform towers, a six-lane warm up pool, a family pool with a water slide and water features, adult and family hot tubs, two-level fitness centre, three-lane walking track, multipurpose rooms, child minding rooms, and a cafeteria. The Shaw Centre is the result of an

innovative collaboration between the City of Saskatoon, Greater Saskatoon Catholic Schools, and Saskatoon Public Schools. This world-class facility not only serves the recreational needs of residents, but makes our city a top contender for national and international swimming and diving competitions.



The new Shaw Centre and its various pools

Concept designs for the future of Mayfair Pool were presented to the community in 2009, as there is a risk for further infrastructure deterioration on the 50-year old pool. Detailed design work of the community's preferred concept plan will be complete in 2010 and construction will follow in 2011.



The concept design for Mayfair Pool

Sod was turned in June 2009 on the site of Pleasant Hill Village, Saskatchewan's largest neighbourhood renewal project. In addition to redevelopment of deteriorated single-family homes, Pleasant Hill will have a new elementary school and community centre, seniors' housing complex, and park space in the heart of the neighbourhood. Site development is already underway and construction is scheduled in 2010.

The sod turning for the Pleasant Hill Village

In 2010, a Community Visioning initiative will launch that will help to provide ideas and input from residents as we plan for the next 50 to 75 years. The hope is that this initiative will capture a diversity of ideas, aspirations, and dreams for the future of Saskatoon. This feedback can then be molded into a strategic plan that sets our city on a path for the creation of a vibrant and sustainable future.

Civic elections were held in October 2009. All 10 City Councillors and the Mayor were returned to office.

Core Strategy: Fiscal Responsibility

Manage the collection, stewardship, and allocation of public funds in the delivery of municipal services in a fiscally responsible way.

The City of Saskatoon works to ensure that future generations are not financially responsible for the benefits received by today's residents. Both Operating and Capital Budgets are managed with this goal in mind.

The 2009 Operating Budget was approved at a 2.87% mill rate increase, which was below the national rate of inflation of 3.9%. In December 2009, the City realized an operating surplus of $3.66 million.

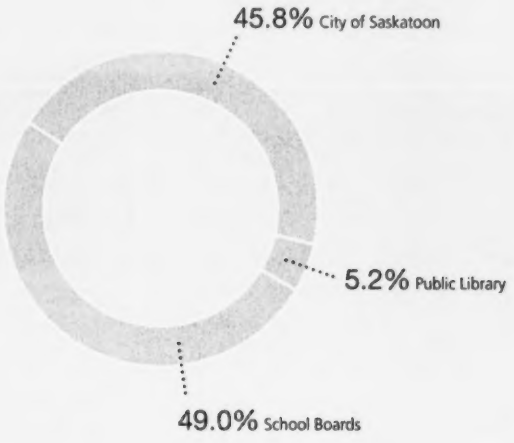
A "pay as you go" philosophy is maintained in the Capital Budget where dedicated reserves are established and used for major investments. It is on rare occasions these reserves are allowed to go into a deficit position, and only to take advantage of government funding and advance the timing of capital projects, and not at the risk of placing the City's cash flow in a vulnerable position.

A consistent Standard and Poor's AAA credit rating (received again in 2009) ensures that the City of Saskatoon can borrow for capital projects at a better rate than jurisdictions with lower ratings.

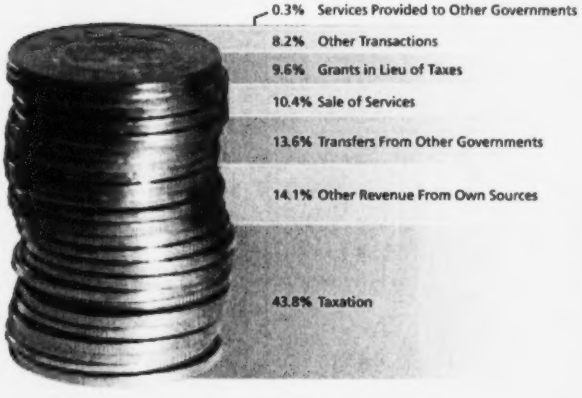
Tax revenue is based on property assessments. The City works to ensure a fair, open, understandable, and defensible provincial assessment process. The City participated in the assessment reform process to move toward a shorter assessment cycle, which will help ensure that property values (and resulting taxation) are more in line with the market.

The City continued to pursue alternate sources of revenue to diversify funding from the tax base. In 2009, various departments continued to lobby for predictable and sustainable funding from senior levels of government to rectify the fiscal imbalance.

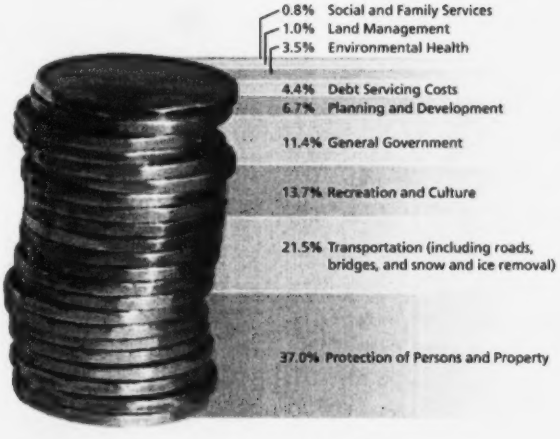
2009 Distribution of Property Taxes



Where the Money to Run the City Comes From


0.3% Services Provided to Other Governments
8.2% Other Transactions
9.6% Grants in Lieu of Taxes
10.4% Sale of Services
13.6% Transfers From Other Governments
14.1% Other Revenue From Own Sources
43.8% Taxation

Where Your Municipal Tax Dollars are Spent


0.8% Social and Family Services
1.0% Land Management
3.5% Environmental Health
4.4% Debt Servicing Costs
6.7% Planning and Development
11.4% General Government
13.7% Recreation and Culture
21.5% Transportation (including roads, bridges, and snow and ice removal)
37.0% Protection of Persons and Property

Financial Management and Control

Corporate Planning Process

City Council's current Strategic Plan sets out a vision for the community, a mission statement, and a set of corporate values and strategies.

The Capital Budget process decides, based on Council's priorities, which projects will proceed over which timeframe. Long-term capital planning (through the five-year plan) and reserve policies attempt to match required funds to required projects.

The Operating Budget allocates resources under the principle of continuing to deliver existing services and service levels. In addition, it recommends service level changes for specific programs based on a number of factors (usage, demand, ability to pay, growth, legislative change, business case, etc.). Choices are put before Council on issues that have been raised by Council, raised by the public, and/or identified by Administration.

Annual Financial Reports

A number of annual financial reports are submitted to City Council for its information and review, including the financial reports, capital project status reports, benchmarking and performance measurement reports, and the public accounts.

The annual Financial Report includes the consolidated financial statements prepared in accordance with generally accepted accounting principles for local governments, as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants. These statements are audited by the City's appointed external auditor.

Financial Policies

The City of Saskatoon operates under a number of financial policies, some of which have received formal approval by City Council; others are based on fiscal responsibility.

Property Tax Policies

In 2001, City Council resolved that commercial property be taxed at 1.75 times the residential rate (to be shifted over a 10 year period) and that the effective tax rate between residential, condominium, and multi-family residential classes be equalized.

Investment Policy

City Council has approved a policy on portfolio management, which ensures that City portfolios are invested to primarily achieve the preservation of capital, the maintenance of liquidity sufficient to meet on-going financial requirements, and to maximize return on investment. Specific guidelines are outlined regarding the type of securities approved for purchase, investment limitations, and term structure.

Reserve Policies

City Council has established reserves through bylaws to fund capital projects, and through policy to provide a source of funds to stabilize specific user pay programs and/or general revenue variances.

The majority of capital work undertaken by the City is funded through dedicated reserves. The purpose, funding source, and withdrawal criteria is specifically outlined within bylaws. City Council approval is required for all withdrawals. The remaining reserves are specifically outlined in policy; a majority of these are used to stabilize specific programs either funded through user fees (golf courses), are dependent upon weather (snow and ice management), or are used to fund overall operations against revenue variances (interest earnings).

Debt Management Policies

The City of Saskatoon has operated primarily under a "pay-as-you-go" philosophy whereby its facilities and infrastructure are built based on current and projected reserve balances. The City Council-approved policy on borrowing for capital projects specifically outlines borrowing only if sufficient funds are not otherwise available in existing reserves or through external sources, if funds will be recovered from future operating revenues or operating savings, and/or it would be equitable to extend the capital financing through borrowing for major capital initiatives to future users.

Services Provided By City Departments

Office of the City Manager

The City Manager is the chief administrative officer of the City of Saskatoon. The position is responsible for planning, directing, supervising, coordinating, and controlling all municipal operations as approved by City Council.

The City Manager's responsibilities include providing assistance and advice on various aspects of municipal operations, investigating and reporting on all matters referred by City Council and its committees, and submitting the capital and operating budgets to City Council for review.

The City Manager chairs the Management Committee (comprised of all General Managers, the City Solicitor, the City Clerk, and the Chief of Police as a liaison) which is responsible for coordination of all city-wide management and operational matters.

The City Manager is the direct supervisor of all General Managers and through them, all Branch Managers and civic employees (except for those boards which are responsible to City Council). This includes the appointment, promotion, demotion, and suspension of employees of the City, except those employees appointed directly by City Council.

Public and Intergovernmental Affairs

The Public and Intergovernmental Affairs division is primarily responsible for building and maintaining relationships with other municipalities, municipal associations, and federal and provincial orders of government. The division analyzes key policy decisions, issues, and trends emerging for other orders of government, public policy institutes, and the media as they relate to the policies and operations of the City of Saskatoon. This includes reviewing and analyzing legislative changes, reviewing and analyzing federal and provincial budgets, and supporting various advocacy efforts aimed at governments and other key stakeholders on issues related to the corporation.

Communications Branch

The Communications Branch plans and directs all corporate communication activities for the civic administration including the development and implementation of public, employee, and media relation strategies. The Branch operates in a consultative capacity to Senior Management on communication issues, and acts as an internal consultant for departments who do not have resources dedicated to marketing and communications.

The Communications Branch manages various corporate communication activities including campaigns, advertising, the distribution of news releases, event management, brochure development, and the production of the employee newsletter "Currents."

In coordination with the Emergency Measures Organization, the Branch also administers the Emergency Public Information Plan.

Office of the City Clerk

The primary responsibility of the City Clerk's Office is to administer the City's legislative processes. Responsibilities include: preparing and distributing agendas, minutes, and decisions of City Council and its committees; ensuring that the business of City Council and its committees are conducted in accordance with The Cities Act and other relevant legislation; maintaining corporate records and City Archives; conducting municipal elections, administering the provisions of The Local Authority Freedom of Information and Protection of Privacy Act, and providing administrative support services to City Councillors.

Office of the City Solicitor

The Office of the City Solicitor provides general and specialized legal services for the Corporation. While it reports directly to City Council, the Office also provides legal services to all civic departments and boards. The major areas of responsibility include giving legal advice to City Council, the City Manager, and other civic departments; representing the City at all levels of court; doing all the legislative drafting and all bylaw enforcements for the City; and providing a wide variety of legal work such as land transactions, contracts, and risk management.

Community Services Department

The Community Services Department provides programs, services, and resources to create a community in which people of all ages and cultural backgrounds want to live, work, play, and visit. Through community consultation and the dedication of our employees, we continue to strive for excellence.

Building Standards Branch

The Building Standards Branch issues building and plumbing permits and administers inspection programs related to regulations contained in the Building Bylaw, the Swimming Pool Bylaw, the Uniform Building and Accessibility Standards Act, the National Building Code, and the Plumbing and Drainage Regulations.

Business Administration Branch

The Business Administration Branch provides coordinated support for the following functions: financial accountability; implementation and maintenance of business and information management systems; marketing strategies and communication programs; human resource management; and clerical services.

Planning & Development Branch

The Planning and Development Branch is responsible for overall land use planning and development activity in the City of Saskatoon. The primary goal of the Branch is to build an increasingly sustainable community over time, with an enhanced quality of life, consistent with the vision and core strategies of the City's Strategic Plan. The mandate of the Branch includes primary responsibilities for district planning, future growth, land use and zoning policy, development review, planning for new neighbourhoods, revitalizing existing communities, affordable housing, community safety, community and demographic research, heritage management, and business licensing and bylaw enforcement.

Community Development Branch

The underlying objective behind the Community Development Branch activities is to provide the supportive environment and capacity that empowers members of the community. The Branch is also responsible for the Cultural Diversity and Race Relations Policy.

Land Branch

The Land Branch plans, services, and sells residential, commercial, and industrial lots owned by the City of Saskatoon. The Branch is also responsible for Urban Design which provides design services for streetscape projects and programs primarily in Saskatoon Business Improvement Districts.

Leisure Services Branch

The Leisure Services Branch ensures that a broad range of sport, culture, parks, and recreation opportunities are available and affordable to residents and visitors. Programming is offered through leisure centres, rinks, a zoo, golf courses, a campground, a speed skating oval, and various park locations.

Corporate Services Department

The City of Saskatoon is a large organization with nearly 3,000 full-time, part-time, and seasonal employees. The Corporate Services Department's role is to help the institution work effectively and efficiently. The Department is responsible for the finance function, information technology and services, purchasing and inventory, and administrative support services within the Corporation. These responsibilities are delivered through four Branches.

Assessment Branch

This Branch is responsible for establishing and providing the assessment of all real property located in the City of Saskatoon in compliance with provincial legislation, producing the assessment roll, and defending such assessments before the Board of Revision and the Saskatchewan Municipal Board.

Comptroller's Branch

This Branch is responsible for providing corporate financial recording, reporting and control; supplier payments; administration of the City's Operating and Capital Budget process; employee payroll and benefits; and payments to superannuates. In addition, general financial management services are provided to all departments and boards.

Corporate Information Services Branch

The mandate of the CIS Branch is to ensure the effective management of the City's information assets and supporting technologies. The Branch's mission is "to assist and enable civic departments to meet their goals and objectives through leadership in technology services and solutions." CIS also provides supply management, printing, and mail services to the corporation.

Treasurer's Branch

This Branch is responsible for the collection, control, and disbursement of all corporate funds, including the investment function. This includes responsibility for the billing and collection of taxes, property taxes, electrical, water and sewer utility services, and matters related to municipal licensing. Other responsibilities include administration of the Animal Services Program and the regulating of the General Licensing Bylaw.

Fire and Protective Services Department

Saskatoon Fire and Protective Services (SFPS) provides twenty-four hour emergency response service in conjunction with the Saskatoon Emergency 9-1-1 Telephone System. This gives residents of Saskatoon an emergency protective services delivery system consisting of a wide range of components for the sole purpose of preventing emergencies and reducing the loss of life and property. SFPS responds to and mitigates emergencies involving the rescue of persons, incidents of fire, unplanned releases of dangerous goods, and pre-hospital emergency medical incidents. SFPS provides community-based, customer-focused service to create a safe and comfortable environment for the residents of Saskatoon.

SFPS protects the City's tax base and supports economic development through extensive inspection, prevention, and enforcement programs carried out by the Fire Prevention and Investigation Division.

The Department's Community Relations Division works within the community promoting fire safety and injury prevention. Presentations are offered to students, community groups, parenting resource programs, seniors, and employee groups. The Division, through Program Firestop, also provides education to parents and children and referral for juveniles suspected of setting fires.

SFPS manages the Emergency Measures Organization, which undertakes to ensure a coordinated and timely response in the event of extraordinary emergencies that overwhelm existing resources.

Human Resources Department

The Human Resources Department consists of four Branches, Employee Services, Employment and Total Compensation, Labour Relations, and Occupational Health & Safety.

Employee Services Branch

The Employee Services Branch provides services to individuals, workgroups, and departments within the corporation in the areas of organization and staff development, performance management, conflict resolution, team building, culture change, and succession planning.

Employment and Total Compensation Branch

This Branch acts as a central resource for the following areas: recruitment; diversity; classification, job evaluation and pay research; and pension and benefits administration.

Labour Relations Branch

The Labour Relations Branch is responsible for collective bargaining with all unions and associations representing civic employees; implementation, administration, and interpretation of collective agreements, grievance decisions, and arbitration awards; and timely and accurate advice and counsel to City Council and management regarding labour relations issues.

Occupational Health & Safety Branch

This Branch provides resources in health and safety to all of the departments as well as the boards and commissions. The City has a Corporate Safety Management System which focuses on leadership, hazard and accident prevention, health and safety related training, healthy workplaces, and wellness initiatives. The Branch also processes all workers' compensation claims and provides support in all modified work program for injuries and illnesses.

Infrastructure Services Department

The Infrastructure Services Department is responsible for the planning, operation, and maintenance of many of the City's assets including those involved with water distribution, sanitary sewage collection, storm water collection, roadways, bridges, parks and open spaces, public cemeteries, vehicle and equipment fleet, and City-owned buildings and structures. The Department is organized into seven Branches.

Business Administration Branch

The Business Administration Branch is responsible for providing support services to the department in the areas of financial, system support, clerical, administrative, and human resource services.

Construction and Design Branch

This branch acts as an 'in-house' civil engineering service, providing functional and detailed design, construction, and regulatory services to the Infrastructure Services Department, and other departments as required. Major activities include land development management, servicing agreements, subdivision and discretionary use applications, construction project management for new roadways, interchanges and water and sewer systems.

Facilities Branch

The Facilities Branch is responsible for the City's buildings and structures, the City-owned vehicle and equipment fleet, and the City's radio communications system. As such, the Branch provides for building operation and maintenance of civic facilities such as leisure facilities, fire halls, transit buildings, City office buildings, and contracted services for boards and agencies. Project management services for any capital or maintenance projects are provided, including design, contract tendering and award, and construction management. Energy management, space management, and accommodation planning are also provided for user departments.

Parks Branch

The Parks Branch is responsible for the maintenance and preservation of more than 1,000 hectares of the City of Saskatoon's parks and civic open spaces. This is accomplished by utilizing horticultural maintenance standards, maintenance contracts, and policy development. The responsibility of the Branch extends to maintenance of civic green space, parks, and boulevards, as well as maintenance and operation of the Woodlawn and Nutana Pioneer Cemeteries, the Greenhouse/ Conservatory Program, the Pest Management Program, and the Urban Forestry Program.

Public Works Branch

The Public Works Branch is responsible for the operation, maintenance, and preservation of roads, lanes, sidewalks, water mains, sanitary sewer mains, and storm sewer mains.

Strategic Services Branch

The Strategic Services Branch serves to separate the time consuming long-term strategic functions from the day-to-day operations. The Department relies on the Branch to lead engineering policy and procedure development; to coordinate initiatives as required; and to develop and manage long-term strategies for the preservation of the City's key infrastructure assets.

Transportation Branch

This branch provides planning, design, regulation, and operation of the City's transportation network. Major activities include planning for the transportation network, traffic management and operations, parking control and enforcement, and regulatory control of the right-of-way through bylaw enforcement. The goal of the Transportation Branch is to provide for the safe and efficient movement of people, goods, and services within and through Saskatoon in a cost-effective manner.

Utility Services Department

A "utility" is simply a service provided to the public for a fee such as electricity, water, or transportation. This Department brings together the majority of utilities that generate revenue from fees charged directly to the user. Utility Services is divided into five Branches.

Business Administration Branch

This Branch is responsible for the business functions of the Department, including utility rate design and analysis.

Environmental Services Branch

The Environmental Services Branch administers programs and capital work relating to the reduction of corporate and community greenhouse gases through the Partners for Climate Protection Program; development, implementation, and maintenance of the corporate Environmental Management System; promotion of environmental and sustainability initiatives; brownfield remediation and environmental site assessments coordination; solid waste collection, disposal, and reduction; landfill operations; waste minimization programming; and laboratory services to support all necessary operational needs and projects of the Water and Wastewater Treatment Plants.

Saskatoon Light & Power

The City of Saskatoon operates an electric utility providing electrical service to the area of Saskatoon that lies generally within the 1958 City boundary. Bulk electrical power is purchased from the provincial Crown utility, SaskPower, and through a system of transmission lines, substations, and distribution lines with associated distribution hardware, this Utility distributes electricity to customers on demand at locations and at voltages appropriate to their needs. The Utility is also responsible for the street lighting system.

Saskatoon Transit

Saskatoon Transit operates and maintains Saskatoon's public transit system. The Branch also provides Access Transit for individuals who are unable to use the regular transit system with safety and dignity. Saskatoon Transit operates six terminals spread throughout the city. Saskatoon Transit's service includes DART (Direct Access Rapid Transit) which serves all major quadrants of the city and can best be described as a light rail system on wheels.

Water and Wastewater Treatment Branch

The Water and Wastewater Treatment Branch is responsible for the operation and maintenance of the City's water and wastewater treatment, the handling and disposal of solids resulting from the treatment processes, the remote water and wastewater pumping facilities, ongoing process optimization and environmental studies, long-term expansion planning, related construction project management and capital work, and the testing and maintenance of water meters.

Boards

Credit Union Centre (Legal name: Saskatchewan Place Association Inc.)

Credit Union Centre, Western Canada's most versatile and exciting trade, sports, and entertainment centre, can accommodate over 14,000 patrons.

The building has been the site of World and Canadian sporting championships, major concerts, and trade shows, and is the home of the Saskatoon Blades of the Western Hockey League. The hosting of these events brings over 700,000 through Credit Union Centre on an annual basis.

Mendel Art Gallery and Civic Conservatory

The Mendel Art Gallery and Civic Conservatory was opened in 1964 and named to honour Frederick S. Mendel, industrialist and art connoisseur, who established his business and home in Saskatoon in 1940.

Selections from the Gallery's collection are exhibited regularly, along with regularly scheduled contemporary and historical exhibitions of local, national, and international origin. Each year approximately twenty exhibitions are presented without charge for the benefit of Saskatonians and visitors to the city. The Mendel Art Gallery and Civic Conservatory is operated as a civic corporation under a board of appointed trustees.

Saskatoon Police Service

The operations of the Saskatoon Police Service are established under the authority of the Saskatchewan Police Act, Part III, Section 25 and 26, and under the City of Saskatoon Bylaw 5728. The Saskatoon Board of Police Commissioners is appointed by City Council to oversee the police operations and consists of the Mayor, two City Council members, and two citizens-at-large.

The Board is subject to the legislative jurisdiction of the City Council to the extent only that the amount expended for upkeep of the service must not exceed the amount fixed by the current estimates of the Council for that purpose.

The Police Service is equipped and trained for the most current needs in the delivery of a police service in the partnership with the community. They also offer emergency services, take complaints of crime, conduct follow-up investigations and preventative activities throughout the city on a 24-hour basis.

Saskatoon Public Library

The Saskatoon Public Library, which first opened for circulation in May 1913 in the basement of the Odd Fellow's Hall, is now a city-wide system consisting of the central library and seven branches. The Library is supported by city taxation and provincial government grants, but direct service to each Saskatoon resident is free of charge.

The Library is a community resource centre, offering books, DVDs, CDs, CD-ROMs, magazines, newspapers, maps, audio cassettes, public computers with internet service, telephone books, pamphlets, government documents, trade directories, indexes, and other materials and programs to meet public informational, educational, and recreational needs. City Council minutes, reports, studies, and other civic material are available and may be consulted in the Library.

An automated circulation system operates in the central library and branches. The host computer is housed in the Frances Morrison (central) Library. This facility makes the collection of the entire system more accessible to all users and allows the Library a much more accurate inventory of the location of materials at any given moment.

TCU Place (Legal name: Saskatoon Centennial Auditorium and Convention Centre Corporation)

TCU Place was a project to commemorate the centennial of the founding of the Dominion of Canada. It is an imposing and beautiful building in the heart of the city, adjacent to a major shopping complex, steps away from first-class hotels, restaurants, boutiques, and parking facilities for 2,000 cars. The facility is equipped with sophisticated aids for audio, visual, stage, or exhibit requirements, maintains an in-house catering/banquet service, and is part of a province-wide box office. TCU Place's 2,000 soft-seat concert theatre has brought heartwarming praise from numerous world class entertainers and artists, touring companies, ballet companies, and local and international performing art groups, and is home of the Saskatoon Symphony.

With 104,000 square feet of high-end convention space, TCU Place is poised for the large sized national and international convention market, with first-class convention facilities and services.

In addition, the Box Office is part of the Ticketmaster ticket distribution system that sells tickets not only for TCU Place but also Credit Union Centre and other venues across Canada. TCU Place is owned by the City of Saskatoon and is operated by the Saskatoon Centennial Auditorium and Convention Centre Corporation. The Corporation, as well as the Saskatoon Centennial Auditorium and Convention Centre Foundation, consists of a Board of Directors with representation from City Council and the general public.

FINANCIAL REPORT

City of Saskatoon Saskatchewan Canada

Management's Report

City of Saskatoon

The accompanying Consolidated Financial Statements and all other information contained in this Annual Report are the responsibility of management. The Consolidated Financial Statements have been prepared by management in accordance with Canadian generally accepted accounting principles for local governments established by the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Accountants (CICA). The preparation of the statements necessarily includes some amounts which are based on the best estimates and judgements of management. Financial data elsewhere in the Annual Report is consistent with that of the financial statements.

To assist in its responsibility, management maintains accounting, budget and other controls to provide reasonable assurance that transactions are appropriately authorized and accurately recorded, that assets are properly accounted for and safeguarded and that financial records are reliable for the presentation of financial statements.

The Audit Committee of the City of Saskatoon comprises five elected officials who are appointed annually. The Committee recommends the engagement of the Internal and External Auditors, approves the annual and long-term audit plans, reviews the audit reports and the audited financial statements for presentation to City Council.

Deloitte & Touche, LLP, Chartered Accountants, the City's appointed external auditors, have audited the Consolidated Financial Statements. Their report to the Mayor and City Council, stating the scope of their examination and opinion on the consolidated financial statements, follows.

Murray Totland, P.Eng., MBA
City Manager

Marlys Bilanski, CMA, FCMA
General Manager, Corporate Services

August 18, 2010

Auditors' Report - Deloitte & Touche LLP Chartered Accountants

His Worship the Mayor and City Council:

We have audited the Consolidated Statement of Financial Position of the City of Saskatoon ("the City") as at December 31, 2009 and the Consolidated Statements of Operations, Cash Flows and Changes in Net Financial Assets for the year then ended. These financial statements are the responsibility of the City's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the City of Saskatoon as at December 31, 2009 and the results of its operations and cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements. The current year's supplementary information included in the schedules and appendices is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Deloitte & Touche LLP

Chartered Accountants

Saskatoon, Saskatchewan

July 9, 2010

Consolidated Statement of Financial Position

As at December 31, 2009 (in thousands of dollars)

	2008 (Restated - Schedule 6)	2009
Financial Assets		
Cash and Cash Equivalents (Note 2)	$76,420	$112,597
Taxes Receivable (Note 3)	7,263	7,239
Accounts Receivable and User Charges (Note 3)	106,870	86,421
Loan Receivable (Note 4)	5,912	5,514
Land Inventory for Resale	41,531	72,572
Other Assets (Note 5)	5,167	4,841
Investments (Note 6)	150,554	255,110
Accrued Pension Asset (Note 8)	63,799	45,379
Total Financial Assets	457,516	589,673
Financial Liabilities		
Accounts Payable and Accrued Liabilities (Note 9)	103,900	87,375
Deferred Revenue (Note 10)	70,865	167,600
Long Term Liabilities (Note 11)	89,144	115,341
Employee Benefits Payable (Note 12)	21,419	25,576
Total Financial Liabilities	285,328	395,892
Total Net Financial Assets	172,188	193,781
Non Financial Assets		
Prepaid Expenditures	2,630	2,633
Tangible Capital Assets (Note 20)	1,990,676	2,116,014
Inventory of Materials and Supplies	9,586	10,124
Total Non Financial Assets	2,002,892	2,128,771
Accumulated Surplus (Note 21)	$ 2,175,080	$ 2,322,552

Consolidated Statement of Operations

For the Year Ended December 31, 2009 (in thousands of dollars)

	2008 (Restated - Schedule 6)	2009	2009 Budget (Unaudited)
Revenues			
Taxation (Note 7)	$ 128,320	$ 136,350	$ 135,992
Grants in Lieu of Taxes (Note 7)	4,345	4,163	4,680
User Charges	233,439	253,798	240,680
Government Transfers (Note 13)	26,888	39,120	38,353
Investment Income	12,690	10,260	7,563
Contribution from Developers and Others	65,736	76,631	-
Other	62,754	67,365	64,409
Total Revenues	534,172	587,687	491,677
Expenses			
General Government	23,033	29,106	28,117
Transportation	85,605	93,530	89,587
Protection of Persons and Property	91,488	107,326	101,498
Recreation and Culture	81,196	95,074	76,431
Social and Family Services	2,214	3,765	2,414
Planning and Development	19,195	21,055	21,287
Property Purchases and Development	2,649	13,156	2,490
Saskatoon Light & Power	82,430	86,386	86,132
Environmental Health	60,320	62,642	54,977
Debt Servicing Costs	9,778	6,620	15,498
Total Expenses	457,908	518,660	478,431
Surplus of Revenues over Expenses before Other Capital Contributions (Schedule 6)	76,264	69,027	13,246
Other Capital Contributions			
Government Transfers (Note 13)	37,094	44,600	-
Contribution from Developers and Others	19,182	33,285	61,771
Federation of Canadian Municipalities (FCM)	35	183	-
FCM Green Fund Grant	-	377	-
Total Other Capital Contributions	56,311	78,445	61,771
Surplus of Revenues over Expenses	132,575	147,472	75,017
Accumulated Surplus, Beginning of Year	2,042,505	2,175,080	
Accumulated Surplus, End of Year	$ 2,175,080	$ 2,322,552	

Consolidated Statement of Cash Flows

For the Year Ended December 31, 2009 (in thousands of dollars)

	2008 (Restated - Schedule 6)	2009
Cash Flows from (used in) Operating Activities:		
Excess of Revenues over Expenditures	$ 132,575	$ 147,472
Changes in Non Cash Items		
Taxes Receivable	(795)	24
Accounts Receivable and User Charges	340	20,449
Loan Receivable	385	398
Land Inventory for Resale	(20,803)	(31,041)
Other Current Assets	199	326
Accrued Pension Asset	1,213	18,420
Prepaid Expenditures	(1,340)	(3)
Inventory of Materials and Supplies	(158)	(538)
Accounts Payable and Accrued Liabilities	21,193	(16,525)
Deferred Revenue	4,304	96,735
Employee Benefits Payable	1,109	4,157
Amortization	62,759	63,822
Total Cash from Operating Activities	200,981	303,696
Cash Flows used in Investing Activities:		
Net Increase in Investments	(2,764)	(104,556)
Cash Flows from (used in) Financing Activities:		
Debentures Issued	47,100	36,620
Long Term Net Debt Repaid	(5,612)	(10,423)
Total Cash from Financing Activities	41,488	26,197
Cash Flows used for Capital:		
Net Acquisition of Capital Assets	(227,529)	(189,160)
Net Cash used for Capital	(227,529)	(189,160)
Net Increase in Cash and Cash Equivalents	12,176	36,177
Cash and Cash Equivalents at Beginning of Period	64,244	76,420
Cash and Cash Equivalents at End of Period	$ 76,420	$ 112,597

Consolidated Statement of Changes in Net Financial Assets

For the Year Ended December 31, 2009 (in thousands of dollars)

	2008 (Restated - Schedule 6)	2009
Surplus of Revenues over Expenses	$ 132,575	$ 147,472
Net Acquisition of Tangible Capital Assets	(227,529)	(189,160)
Amortization of Tangible Capital Assets	62,759	63,822
Deficit of Capital Expenditures over Expenditures	(164,770)	(125,338)
Net Change in Prepaid Expenses	(1,340)	(3)
Net Change in Inventory of Materials and Supplies	(158)	(538)
Deficit of Expenses of other Non Financial Expenditures	(1,498)	(541)
Increase (Decrease) in Net Financial Assets	(33,693)	21,593
Net Financial Assets, Beginning of Year	205,881	172,188
Net Financial Assets, End of Year	$ 172,188	$ 193,781

Notes to the Consolidated Financial Statements

For the Year Ended December 31, 2009 (in thousands of dollars)

1. Accounting Policies

The consolidated financial statements of the City of Saskatoon ("the City") are prepared by management in accordance with generally accepted accounting principles for local governments, as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants (CICA). See Note 19 for Change in Accounting Policy. Significant aspects of the accounting policies adopted by the City are as follows:

a. Basis of Consolidation

i. Reporting Entity

The consolidated financial statements reflect the assets, liabilities, revenue, expenditures and fund balances of the reporting entity. The reporting entity is comprised of all organizations and enterprises accountable for the administration of their financial affairs and resources to the City and which are owned or controlled by the City, namely:

- General Revenue and Capital Funds
- Board of Police Commissioners
- Wastewater Utility
- Storm Water Management Utility
- Water Utility
- Saskatoon Light & Power
- Transit Utility
- Mendel Art Gallery
- Centennial Auditorium (Operating as TCU Place)
- Saskatchewan Information and Library Services Consortium Inc. (SILS)
- Saskatchewan Place (Operating as Credit Union Centre)
- Saskatoon Public Library
- Reserve Funds

All interfund loans, other than normal trade accounts payable/receivable, have been eliminated through the consolidation. Schedule 7, and supporting Appendices 1 to 7, include only those revenues and expenditures reflected in the City's annual Operating Budget, which is prepared to identify the City's property tax requirements. Excluded from this Schedule are the operations of the Mendel Art Gallery, TCU Place, Credit Union Centre, Saskatoon Public Library, and the Sinking Fund.

The Saskatoon Public Library has an interest in the Saskatchewan Information and Library Services Consortium Inc. (SILS), which has been proportionately consolidated.

ii. Trust and Pension Funds

Trust funds (see Note 16) and pension funds and their related operations administered by the City are not reflected in the consolidated financial statements.

iii. Accounting for School Board Transactions

The taxation, other revenues, expenditures, assets and liabilities with respect to the operations of the school boards, are not reflected in the municipal fund balances of these financial statements. Amounts due to/from school boards are reported on the Consolidated Statement of Financial Position as accounts payable/accounts receivable.

Notes to the Consolidated Financial Statements

For the Year Ended December 31, 2009 (in thousands of dollars)

1. Accounting Policies (continued)

b. Basis of Accounting

i. Revenues

Revenues are accounted for in the period in which the transactions or events occurred that gave rise to the revenues. Funds from development charges for services that have not yet been provided at the time the charges are collected are accounted for as deferred revenue until used for the purposes specified. Expenditures are accounted for in the period the goods and services are acquired and a liability is incurred or transfers are due.

ii. Property Tax Revenue

Property tax revenue is based on assessments determined in accordance with Saskatchewan legislation and the formulas, principles and rules in the Saskatchewan Assessment Manual. Tax mill rates are established annually. Taxation revenues are recorded at the time tax billings are issued. Assessments are subject to appeal. A provision has been recorded in Accounts Payable and Accrued Liabilities for potential losses on assessment appeals outstanding as of December 31, 2009.

iii. Inventory

Inventories held for resale are valued at the lower of cost and net realizable value. Cost is determined using average laid in costs. Inventories of materials and supplies represent amounts to be financed in future years as these inventories are consumed.

iv. Land Inventory for Resale

Land inventory for resale is recorded at the lower of adjusted cost and net realizable value. Adjusted cost includes amounts for land acquisition and improvements to prepare the land for sale. Land is available for resale when approved for sale by the Land Bank Committee and when all municipal services have been completed.

v. Capital Outlay Financed by Long Term Liabilities to be Recovered in Future Years

Capital outlay financed by long term liabilities to be recovered in future years represents the outstanding principal portion of unmatured long term liabilities for municipal expenditures, less Sinking Fund requirements (see Note 11).

vi. Investments

All investments are recorded at cost less any amounts written off to reflect a permanent decline in value. Premiums and discounts are amortized over the life of the investment. Investment transactions are accounted for at the settlement date. Investment income is recorded on the accrual basis.

vii. Development Charges

The City receives, either from private developers or as a result of the sale of its own developed properties, levies for services which have not yet been provided at the time the levies are collected. These revenues are not recognized until the applicable expenditures for such services are incurred.

viii. Property Development

The City is one of the primary property developers in the municipality. Expenditures relating to the servicing of new subdivisions within the City are charged against the prepaid services account (which forms part of the unexpended capital financing – see Note 21). Proceeds from the sale of lots are credited to the prepaid services, land bank, or Property Realized Reserve for the applicable portion attributable to services or to land. Any property purchased for future land development is funded by the Property Realized Reserve.

ix. Government Transfers

Government transfers are recognized in the financial statements as revenues in the period in which events giving rise to the transfer occur, providing the transfers are authorized, eligibility criteria have been met, and reasonable estimates can be made.

Notes to the Consolidated Financial Statements

For the Year Ended December 31, 2009 (in thousands of dollars)

1. Accounting Policies (continued)

b. Basis of Accounting (continued)

x. Superannuation Contributions

The City of Saskatoon makes contributions to the General Superannuation, Part Time and Seasonal Employee Superannuation, Police Superannuation, and Fire and Protective Services Department Superannuation Plans on behalf of its staff. Pension expenditures are recorded based on current service requirements and have been included as an expenditure in the current year.

xi. Use of Estimates

The preparation of consolidated financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates and may have an impact on future periods.

xii. Segmented Reporting

In April 2006, the CICA added Section PS2700, Segment Disclosures. This section establishes standards on how to provide for meaningful segmented reporting in government financial statements and is applicable to financial statements for fiscal years beginning on or after April 1, 2007.

Segmented information on the Consolidated Financial Activities is presented on Schedule 4. It is based on capital and operating services for both utilities and the general City programs, plus information on the Saskatoon Public Library, Mendel Art Gallery, TCU Place and Credit Union Centre.

xiii. Derivative Financial Instruments

The City has entered into two interest rate swap agreements with the Royal Bank of Canada in order to manage the interest rate exposure associated with its Banker's Acceptance loans. The agreements arrange for the exchanging of the floating interest rate cash flows from the underlying debt instruments with fixed interest rate cash flows based on a notional amount. Because the long term swap agreement effectively and completely hedges the interest costs on the underlying debt obligations, the City is reflecting the obligation as long term debt.

xiv. Tangible Capital Assets

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to acquistion, construction, development or betterment of the asset. The cost, less residual value, of the tangible capital assets are amortized on a straight line basis over their estimated useful lives as follows:

- Buildings . . . . . 25 to 50 years
- Plants and Facilities. . . . . 20 to 50 Years
- Roadways . . . . . 20 to 75 years
- Underground Networks . . . . . 50 to 75 years
- Electrical Utility. . . . . 10 to 45 years
- Vehicles . . . . . 4 to 30 years
- Traffic Control . . . . . 15 to 30 years
- Machinery and Equipment . . . . . 5 to 25 years
- Land and Land Improvements. . . . . 20 to indefinite years
- Other: - Furniture and Fixtures . . . . . 10 to 20 years
  - Information and Communication. . . . . 10 to 15 years

Notes to the Consolidated Financial Statements

For the Year Ended December 31, 2009 (in thousands of dollars)

1. Accounting Policies (continued)

b. Basis of Accounting (continued)

xiv. Tangible Capital Assets (continued)

A full year's amortization is charged in the year of acquisition and no amortization is charged in the year of disposal. Assets under construction are not amortized until the asset is available for use.

(a) Contribution of tangible capital assets

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt and are recorded as revenue.

(b) Leases

Leases are classified as capital or operating leases. Leases which transfer substantially all of the benefits and risk incidental to ownership of property are accounted for as capital leases. All other leases are accounted for as operating leases and the related lease payments are charged to expenses as incurred.

(c) Land under roads

Land under roads that is acquired other than by a purchase agreement is valued at a nominal cost.

(d) Cultural, historical and works of art

The City manages and controls various works of art and non operational historical and cultural assets including buildings, artifacts, paintings and sculptures located at City sites and public display areas. These assets are not recorded as tangible capital assets and are expensed as acquired.

2. Cash And Cash Equivalents

	Cost		Market	
	2008	2009	2008	2009
Cash	$ 8,156	$ 20,517	$ 8,156	$ 20,517
Treasury bills, provincial promissory notes, bankers acceptance, commercial paper	68,264	92,080	68,606	92,332
	$ 76,420	$ 112,597	$ 76,762	$ 112,849

Effective interest rates are 0.28 percent to 0.76 percent.

3. Receivables

It is the normal practice of the City to review its accounts receivable on a regular basis and write off, against current operating revenues, any accounts which are considered to be uncollectable. A general allowance of $1,281 (2008 - $1,202) for uncollectable taxes is included in the balance of Taxes Receivable.

4. Loan Receivable

City Bylaw No. 8418 was approved by City Council in 2005 to authorize a 15 year loan in the amount of $10,550 from the City to Saskatoon Soccer Centre Inc. for the construction of the North East Soccer Park, in Forest Park, in Saskatoon. The total annual payment under the loan is shared by Saskatoon Soccer Centre Inc. and the City resulting in an amount receivable from the Saskatoon Soccer Centre Inc. of $7,037 and a deferred grant of $3,513 that is amortized over the life of the loan payments. Interest is recognized as earned at 2.80 percent to 4.60 percent over the life of the loan. Security on the loan is by way of an assignment lease against the Henk Ruys Soccer Centre and the North East Soccer Park. The amount receivable and deferred grant as at the end of December 31, 2009 are $5,514 (2008 - $2,753).

Notes to the Consolidated Financial Statements

For the Year Ended December 31, 2009 (in thousands of dollars)

5. Other Assets

	2008	2009
Deferred Charges	$ 4,973	$ 4,536
Other Inventory for Resale	194	305
	$ 5,167	$ 4,841

6. Investments

	Cost		Market	
	2008	2009	2008	2009
Federal, provincial, municipal, federal government agency and corporate bonds	$ 150,554	$ 255,110	$ 157,833	$ 262,483

Maturities are between 2010-2019 with effective interest rates of 0.32 percent to 4.772 percent.

7. Net Taxes Available For Municipal Purposes

	2008	2009
Taxation Revenue	$ 279,553	$ 273,020
Taxes collected on Behalf of Others:		
Saskatoon School Division No. 13	(100,324)	(90,811)
St. Paul's Roman Catholic Separate School Division No. 20	(45,906)	(40,972)
Business Improvement Districts	(658)	(724)
Net taxes available for municipal purposes	$ 132,665	$ 140,513
Comprised of:		
Municipal	128,320	136,350
Grants in Lieu of Taxes	4,345	4,163
	$ 132,665	$ 140,513

The Education Act and The Cities Act set out the manner in which collection of taxes and trailer license fees are to be submitted to the School Boards and the Business Improvement Districts. As the City is acting as agent only for the collection of such taxes, these amounts are not reflected in the Schedule of Revenue and Expenditures, nor are the Assets, Liabilities, and Fund Balances of these Boards included in the consolidated financial statements.

8. Pension Plans

The City administers four employee pension plans - the General Superannuation Plan, the Police Superannuation Plan, the Fire and Protective Services Department Superannuation Plan, and the Part Time and Seasonal Employee Superannuation Plan. Combined, these plans provide pension benefits for all eligible staff of the City. General, Police, and Fire Plans are contributory defined benefit plans. The Seasonal Plan is a defined contribution plan. In all Plans, contributions are made by Plan members and the City as stipulated by pension agreements. The defined benefit plans provide for a benefit that is integrated with CPP, and is based on years of contributory service times a percentage of average earnings as defined by each plan. The Part Time and Seasonal Employee Superannuation Plan provides a benefit based on the annuity that can be purchased with the funds in an employee's account (i.e. a money purchase plan).

Notes to the Consolidated Financial Statements

For the Year Ended December 31, 2009 (in thousands of dollars)

8. Pension Plans (continued)

The accrued pension asset reflects the three main plans – the Retirement Plan for Employees of the City of Saskatoon Board of Police Commissioners, the Retirement Plan for Employees of the Fire and Protective Services Department of the City of Saskatoon, and the General Superannuation Plan for City of Saskatoon employees not covered by the Police and Fire and Protective Services Departments' Superannuation Plans. The General Plan provides for partial inflation protection on benefits accrued to December 31, 2000. Fire and Police plans have provided for ad hoc indexing from time to time in the past when deemed affordable through surpluses. The latest increase for eligible retired members of the Fire and General Plan was granted January 1, 2008 and January 1, 2010, respectively. The latest increase for retired members of the Police Plan was granted July 1, 2009; however, retired members are also scheduled to receive an increase on July 1, 2010 equal to the increase in inflation up to a maximum of 1.6%. The average age of the 2,865 employees accruing service under the Plans is 43.67 years. There are 35 former employees who are entitled to deferred pension benefits. At present, the Plans provide benefits for 1,361 retirees and surviving spouses; benefit payments were $36 million in 2009.

Employees make contributions in accordance with the following: General Pension 7.9% of salary; Fire Pension 7.7% of salary; and Police Pension 7.0% of salary while the City contributes an equal amount. In 2009, total contributions for current service were $29 million. A separate pension fund is maintained for each Plan. Pension fund assets are invested entirely in marketable investments of organizations external to the City. The accrued benefit asset at December 31 includes the following components:

	2008	2009
Accrued benefit obligation	$ (842,216)	$ (891,829)
Pension fund assets		
Marketable securities	777,292	869,287
	(64,924)	(22,542)
Unamortized actuarial losses	128,723	67,921
Accrued benefit asset	63,799	45,379
Net carrying value of accrued benefit asset	$ 63,799	$ 45,379

Actuarial valuations for accounting purposes are performed at least triennially using the projected benefit method prorated on services. The most recent valuations were prepared by AON Consulting for the General and Fire Plans as at December 31, 2008 and for the Police Plan as of December 31, 2007. The accrued benefit obligations shown for 2009 is based on an extrapolation of the 2007 & 2008 valuations. There is a net unamortized actuarial loss to be amortized on a straight line basis over the expected average remaining service life of the related employee groups applicable to each of the Plans (13.40 years on average).

The actuarial valuations and extrapolations were based on a number of assumptions about future events, such as inflation rates, interest rates, wage and salary increases, and employee turnover and mortality. The assumptions used represent the City's best estimates. The expected inflation rate is 3.5 percent (4.0 percent for the Fire Plan). The discount rate used to determine the accrued benefit obligation is 6.25 percent.

Pension fund assets are valued using a market related value which amortizes realized and unrealized gains and losses over a five year period. The expected rate of return on Plan assets is 6.50 percent (6.25 percent for the Fire Plan). The actual rate of return on Plan assets in 2009 was 13.35 percent. The market value of assets at January 1, 2008 and December 31, 2009 was $706,628 and $791,112 respectively.

Notes to the Consolidated Financial Statements

For the Year Ended December 31, 2009 (in thousands of dollars)

8. Pension Plans (continued)

The total expenditures related to pensions in 2009 include the following components:

	2008	2009
Current period benefit cost	$ 30,259	$ 33,216
Less: Employee contributions	(11,944)	(14,125)
Plan amendments	3,799	-
Amortization of actuarial (gain) loss	(18)	11,023
Decrease in valuation allowance	(2,700)	-
Pension expenditure	19,396	30,114
Interest cost on the average accrued benefit obligation	48,841	52,453
Expected return on average pension plan assets	(55,208)	(50,165)
Pension interest expenditure	(6,367)	2,288
Total expenditures related to pensions	$ 13,029	$ 32,402

9. Accounts Payable

Included in liabilities is $2,786 (2008 - $6,089) of the estimated total landfill closure and post closure care expenditures of $2,846. The balance is included under Reserves (Landfill Reserve). The estimated liability for these expenditures is recognized as the landfill site's capacity is used and the reported liability represents the portion of the estimated total expenditures recognized as at December 31, 2009, based on the cumulative capacity used at that date, compared to the total estimated landfill capacity. Estimated total expenditures represent the sum of the discounted future cash flows for closure and post closure care activities discounted at the City's average long term borrowing rate of 4.09 percent.

Landfill closure and post closure care requirements have been defined in accordance with industry standards and include final covering and landscaping of the landfill, pumping of ground water and leachates from the site, and ongoing environmental monitoring, site inspection, and maintenance. The reported liability is based on estimates and assumptions with respect to events extending over a forty year period using the best information available to management. Future events may result in significant changes to the estimated total expenditures, capacity used or total capacity and the estimated liability, and would be recognized prospectively, as a change in estimate, when applicable.

The estimated remaining capacity of the landfill is 52.00 percent of its total estimated capacity and its estimated remaining life is 30 years. The period for post closure care is estimated to be 40 years.

10. Deferred Revenue

	2008	2009
Development Charges	$ 40,536	$ 32,052
Government Transfers	12,971	115,380
Ticket Sales and Other	17,358	20,168
	$ 70,865	$ 167,600

Notes to the Consolidated Financial Statements

For the Year Ended December 31, 2009 (in thousands of dollars)

11. Long Term Liabilities

a. Debt

Year Repayable	2008	2009
2009	$ 10,322	$ -
2010	10,726	13,827
2011	11,156	14,352
2012	11,612	14,907
2013	9,888	13,183
2014	6,964	10,465
2015	7,258	10,868
2016	5,085	8,808
2017	5,296	9,135
2018	5,514	9,473
2019	1,781	5,865
2020	1,862	2,031
2021	821	997
2022	859	1,042
2023	-	190
2024	-	198
Total Debt	89,144	115,341
Net Debt	$ 89,144	$ 115,341

Interest rates range from 1.81 percent to 5.625 percent. All long term debt instruments have been issued in Canadian Funds.

b. Derivative Financial Instruments:

	2008	2009
Royal Bank Banker's Acceptance Loan - offering rate plus spread of 0.20% revolves quarterly at progressively smaller amounts until October 2013 (offering rate at December 31, 2009 was 0.43286%)	$ 15,000	$ 12,094
Long term financial instrument created by interest rate swap agreement - 3.00% terminates October 2013	(notional amount equal to above)	
Royal Bank Banker's Acceptance Loan - offering rate plus spread of 0.20%, revolves quarterly at progressively smaller amounts until October 2018 (offering rate at December 31, 2009 was 0.43286%)	$ 32,100	$ 29,429
Long term financial instrument created by interest rate swap Agreement - 3.58% terminates October 2018	(notional amount equal to above)	
Total	$ 47,100	$ 41,523

Notes to the Consolidated Financial Statements

For the Year Ended December 31, 2009 (in thousands of dollars)

11. Long Term Liabilities (continued)

c. Regulations

The regulations under The Cities Act require that individual debenture issue bylaws be submitted, reviewed, and approved by the Saskatchewan Municipal Board (SMB) with the exception that an urban municipality with a population greater than 30,000 can apply to the SMB for a debt limit. The City's debt limit is $298,000 as approved by the SMB.

12. Employee Benefits Payable

Vacation leave is credited to employees on a monthly basis based on contractual obligations. Such credits are accumulated from the period April 1 to March 31 and may not be taken in advance. Therefore, credits earned from April 1, 2009 to December 31, 2009 would normally be available to employees after April 1, 2010.

The City operates a number of Sick Leave Benefit Plans as stipulated within agreements with the various Unions and Associations of employees. These plans are based on the accumulation of sick leave credits to a specified maximum, or are guaranteed long term disability plans. For those Unions with accumulated sick leave plans, the employee is entitled to a cash payment under specified circumstances, including retirements, based upon a formula stipulated in the union agreements.

Employee benefits payable are recorded as financial liabilities on the Consolidated Statement of Financial Position, offset by a reduction in fund balances. The total of these liabilities is as follows:

	2008	2009
a) Vacation leave accrual	$ 15,177	$ 15,875
b) Sick leave credits	6,242	9,701
	$ 21,419	$ 25,576

13. Government Transfers

The following transfers have been included in revenues:

	2008	2009
Operating Transfers		
Federal	$ 1,031	$ 3,082
Provincial	25,857	36,038
	26,888	39,120
Capital Transfers		
Federal	23,247	17,958
Provincial	13,847	26,642
	37,094	44,600
	$ 63,982	$ 83,720

Notes to the Consolidated Financial Statements

For the Year Ended December 31, 2009 (in thousands of dollars)

14. Contingencies

a. Lawsuits

Various lawsuits and claims are pending by and against the City. Provisions have been made for any claims that are likely and the amount of the potential loss can be reasonably estimated. It is the opinion of management that final determination of any remaining claims will not materially affect the financial position of the City.

b. Contractual Obligations

The City has not entered into any long term contractual obligations, the recognition of which would materially affect these financial statements.

15. Property Realized Reserve

The Property Realized Reserve, which is included on Schedule 3, is reported net of all withdrawals. This practice does not recognize the value of assets for property purchased but not yet sold, or repayable advances of funds. At December 31, 2009, the gross value of the Property Realized Reserve is estimated to be $65,111 (2008 - $56,536) itemized as follows:

	2008	2009
Gross Value of Reserve, December 31	$ 56,536	$ 65,111
Advances Repayable from Future Revenue Fund Provisions	(4,410)	(6,648)
Property Purchased from Reserve and not yet re sold (at estimated cost)	(37,622)	(38,686)
Net Balance of Reserve, December 31	$ 14,504	$ 19,777

16. Trust Funds

The City administers two trust funds, the Cemetery Perpetual Care Fund and the Group Insurance Trust Fund. The reserve balances in these trusts are $3,117 (2008 - $3,008) and $194 (2008 - $95) respectively.

17. Expenditures By Object

The following is a summary of the expenditures reported on the Consolidated Statement of Operations by object of expenditures:

	2008 (Restated - Schedule 6)	2009
Wages and Benefits	$ 189,957	$ 218,201
Contracted and General Services	88,631	115,030
Heating, Lighting, Power, Water, and Telephone	78,192	81,681
Materials, Goods and Supplies	22,763	20,539
Finance Charges	9,987	13,179
Donations, Grants and Subsidies	5,619	6,208
Amortization	62,759	63,822
	$ 457,908	$ 518,660

Notes to the Consolidated Financial Statements

For the Year Ended December 31, 2009 (in thousands of dollars)

18. Comparative Figures

a. Reclassified to conform with current year

Certain comparative figures have been reclassified to conform with the current year's consolidated financial statements presentation.

19. Change in Accounting Policies

Effective January 1, 2009, the City adopted the Public Sector Accounting Board's recommendations for recording tangible capital assets and the new financial statement presentation. The tangible capital asset section, PSAB 3150, establishes standards on how to account for and report tangible capital assets in government financial statements. The financial statement presentation section, PSAB 1200, establishes general reporting principles and standards for the disclosure of information based on the underlying financial statement concepts and the objectives of the government financial statements.

The City has chosen to apply the new policies retroactively, with restatement of 2008. The adjustment to reflect the new accounting policy for tangible capital assets has been made to 2008's opening accumulated surplus. See Schedule 6.

20. Tangible Capital Assets

	Net Book Value	
	2008 (Restated - Schedule 6)	2009
Land	$ 227,336	$ 218,095
Land Improvements	50,877	50,571
Buildings	105,325	116,108
Roadways	560,133	566,857
Plant and Facilities	78,878	75,907
Underground Networks	558,403	575,457
Electrical Utility	165,569	166,667
Machinery and Equipment	3,383	5,389
Traffic Control	5,438	6,104
Vehicles	45,818	46,316
Other	13,913	13,949
	1,815,073	1,841,420
Assets under Construction	175,603	274,594
	$ 1,990,676	$ 2,116,014

For additional information, see the Consolidated Schedule of Tangible Capital Assets (Schedule 5).

Interest capitalized was $60. Contributed assets totalled $9,040 and were capitalized at their fair value at the time of receipt.

Notes to the Consolidated Financial Statements

For the Year Ended December 31, 2009 (in thousands of dollars)

21. Accumulated Surplus

	2008 (Restated - Schedule 6)	2009
Fund Balances		
Funds to offset taxation or user charges in future years (Schedule 1)	$ 38,075	$ 25,244
Unexpended capital financing (Schedule 2)	127,151	233,686
Reserves (Schedule 3)	87,447	67,018
	$ 252,673	$ 325,948
Net Investment in Tangible Capital Assets		
Tangible Capital Assets (Schedule 5)	1,990,676	2,116,014
Capital outlay financed by long term liabilities to be recovered in future years (Note 1b(v))	(68,269)	(97,701)
Capital outlay financed by internal investments	-	(21,709)
	1,922,407	1,996,604
Total Accumulated Surplus	$ 2,175,080	$ 2,322,552

Schedule1 - Schedule of Funds to Offset Taxation or User Charges in Future Years

For the Year Ended December 31, 2009 (in thousands of dollars)

	2008 (Restated - Schedule 6)	2009
Balance, Beginning of Year	$ 38,615	$ 38,075
Prior years adjustment to accrued long term debt principal	2,437	-
Transfer from Revenue Stabilization Reserve	1,432	398
Transfer from Building Permit/Inspection Reserve	-	844
Increase in Employee Benefit Payables	(1,109)	(4,157)
Decrease in Accrued Pension Asset	(1,213)	(18,420)
Decrease (Increase) in Landfill Closure/Post Closure Care Liability	(1,434)	3,303
Decrease in accrued long term debt principal	589	1,546
Surplus (Deficit) for the Year (Schedule 7)	(1,242)	3,655
Balance, End of Year	$ 38,075	$ 25,244

Schedule 2 - Schedule of Capital Operations

For the Year Ended December 31, 2009 (in thousands of dollars)

	2008 (Restated - Schedule 6)	2009	2009 Budget (Unaudited)
Source of Funds			
Province of Saskatchewan	$ 943	$ 310	$ 8,319
Saskatchewan Water Corporation	712	279	-
Municipal Economic Enhancement Program	-	22,012	-
Federal Gas Tax Program	11,327	8,113	-
Canada Strategic Infrastructure Fund	4,905	2,682	-
Muncipal Rural Infrastructure Fund	4,656	223	-
Provincial Building Communities Program	3,650	747	1,783
Provincial Community Shares Program	1,753	1,453	1,453
Government of Canada	211	70	150
Cultural Capitals of Canada Program	776	172	-
Transport Canada	-	11	-
Federal Transit Funding Program	6,839	6,795	6,205
Federal Gateway and Border Crossings	-	-	2,890
Federal Asia Pacific Fund	-	-	1,000
Federal Building Canada	-	-	11,880
Federal Infrastructure Stimulus Fund	-	343	-
Federation of Canadian Municipalities (FCM)	35	183	-
FCM Green Fund Grant	-	377	-
Green Municipal Fund FCM	-	2,303	-
Canada Mortgage and Housing Corporation Municipal Infrastructure Lending Program	-	33,190	-
Internal Borrowing	-	22,563	-
Taxation	5,088	3,970	1,865
Utility Contribution	6,520	6,175	900
Borrowing	32,100	-	15,317
Contributions from Developers Benefitting Property Owners and Other Users	12,300	23,734	28,091
Appropriations			
Reserves	165,072	159,375	156,508
	256,887	295,080	236,361

(continued on next page)

Schedule 2 - Schedule of Capital Operations (continued)

For the Year Ended December 31, 2009 (in thousands of dollars)

	2008 (Restated - Schedule 6)	2009	2009 Budget (Unaudited)
Expenditures			
General Government	6,337	3,725	3,939
Protection of Persons and Property	4,354	6,188	6,405
Transportation	40,097	35,371	65,791
Environmental Health	36,088	54,450	64,940
Social and Family Services	102	1,352	34
Planning and Development	11,454	7,905	14,040
Recreation and Culture	34,425	12,459	22,568
Property Purchases and Development	83,266	55,503	49,251
Saskatoon Light & Power Expansion and Replacements	11,406	11,592	9,393
	227,529	188,545	236,361
Increase in Unexpended Capital Financing	29,358	106,535	-
Unexpended Capital Financing, Beginning of Year	97,793	127,151	-
Unexpended Capital Financing, End of Year	$ 127,151	$ 233,686	$ -

Schedule 3 - Schedule of Reserves

For the Year Ended December 31, 2009 (in thousands of dollars)

	2008 (Restated - Schedule 6)	2009
Replacement		
Albert Community Centre	$ 50	$ 30
Automated Garbage Containers	125	(97)
Access Transit	136	1
Boards:		
TCU Place	(460)	(530)
Saskatoon Public Library	2,262	2,659
Mendel Art Gallery	88	121
Credit Union Centre	1,080	449
Buildings and Ground Equipment	79	122
Bus Replacement	1,530	1,559
Civic Vehicles and Equipment	815	111
Saskatoon Light & Power	7,622	3,999
Computer Equipment	1,009	682
Fire Equipment	213	302
Fire Apparatus	(802)	(169)
Infrastructure Replacement:		
Surface Improvements	(66)	(10,551)
Water and Sewer Replacement	(10,166)	(28,176)
Parks	(310)	(350)
Storm Water Management	516	(2,092)
Landfill	1,538	693
Leisure Service Equipment	176	232
Photocopy Machine	348	415
Police - Vehicle/Radio	514	862
Radio Trunking	176	176
Wastewater Collection/Treatment	1,064	79
Water Utility	1,523	1,786
Weigh Scales	181	181
Balance, End of Year	9,241	(27,506)

(continued on next page)

Schedule 3 - Schedule of Reserves (continued)

For the Year Ended December 31, 2009 (in thousands of dollars)

	2008 (Restated - Schedule 6)	2009
Future Expenditures		
Animal Services	76	67
Animal Trading - Zoo	51	50
Access Transit Stabilization	60	245
Affordable Housing - Capital	67	65
Affordable Housing - Operating	4,578	5,615
Boards:		
TCU Place	846	375
Saskatoon Public Library	9,533	11,396
Mendel Art Gallery	322	394
Credit Union Centre	3,487	(684)
Bridge Major Repairs	-	654
Building Permits/Inspections	3,220	2,193
Campsite	171	120
Civic Buildings Comprehensive Maintenance	3,534	4,140
Civic Hospitality	54	76
Community Support Grant	67	87
Corporate Information Systems Development	274	519
Cosmo Stabilization	-	80
Dedicated Lands	1,685	1,506
Dedicated Roadways	1,205	1,525
Downtown Housing	169	196
Errors and Omissions	-	100
Saskatoon Light & Power Distribution Extension	68	206
Saskatoon Light & Power Revenue Stabilization	243	-
Fire Department Uniforms	554	536
Forestry Farm Park and Zoo Capital	-	110
Forestry Farm Park Development	65	95
Forestry Farm Auditorium	13	15
General Voting	132	32
Golf Course Capital	14	4
Golf Course Stabilization	108	240
Heritage Fund	287	262
Holiday Park Golf Course Development	293	407

(continued on next page)

Schedule 3 - Schedule of Reserves (continued)

For the Year Ended December 31, 2009 (in thousands of dollars)

	2008 (Restated - Schedule 6)	2009
Insurance Deductible	-	321
Interest Stabilization	2,426	747
Land Bank	(23,379)	(25,305)
Land Operations	2,325	2,692
Neighbourhood Park Enhancement	776	253
Parking Facilities	1,090	865
Pest Control	65	68
Police Facilities Major Repair	213	343
Police Equipment	57	69
Planning Levy	395	354
Prepaid Services	35,545	46,486
Property Realized	14,504	19,777
Public Works Building	12	26
Reserve for Capital Expenditures	785	298
Revenue Stabilization	399	3,000
Sinking Fund	702	754
Snow & Ice Acquisition	-	45
Special Events	118	25
Sports Participation	67	73
Storm Water Management Utility Stabilization	1,019	820
Streetscape	3,641	2,766
Sundry	3,773	4,678
Traffic Noise Attenuation	(956)	(409)
Traffic Safety	259	77
Transit Capital	302	132
Transportation Infrastructure Expansion	1,144	2,154
Urban Development Agreement	29	154
Vehicle and Equipment Acquisition	102	178
Waste Minimization	100	(247)
Wastewater Collection/Treatment Capital	361	441
Water Capital Projects	1,088	2,052
SIGI Reserve (Saskatchewan Infrastructure Growth Initiative)	68	211
Balance, End of Year	78,206	94,524
Total Reserves, End of Year	$ 87,447	$ 67,018

Schedule 4 - Schedule of Financial Activities by Segment For the Year Ended December 31, 2008 (Restated) (in thousands of dollars)

	General Operating	Utility Operating	General Capital	Utility Capital	Library	Mendel	TCU Place	CUC	Eliminations	2008
Revenues										
Taxation	$ 115,195	$ -	$ 5,138	$ -	$ 12,805	$ -	$ -	$ -	$ (4,818)	$ 128,320
Grants in Lieu of Taxes	25,017	-	-	-	-	-	-	-	(20,672)	4,345
User Charges	19,984	213,072	26	628	384	405	13,406	21,146	(35,612)	233,439
Federation of Canadian Municipalities (FCM)	-	-	-	35	-	-	-	-	-	35
Government Transfers	25,802	-	25,606	10,189	638	448	-	-	1,299	63,982
Investment Income	8,328	-	-	-	-	-	88	166	4,108	12,690
Contribution from Developers	-	-	23,152	198	-	-	-	-	61,568	84,918
Other	59,718	-	-	-	-	20	-	-	3,016	62,754
Borrowing	-	-	31,600	500	-	-	-	-	(32,100)	-
From Reserves	-	-	127,202	37,870	-	-	-	-	(165,072)	-
Utility Contribution	-	-	-	6,470	-	-	-	-	(6,470)	-
Total Revenues	254,044	213,072	212,724	55,890	13,827	873	13,494	21,312	(194,753)	590,483
Expenses										
General Government	32,443	-	6,379	-	-	-	-	-	(15,789)	23,033
Protection of Persons and Property	93,955	-	4,383	-	-	-	-	-	(6,850)	91,488
Transportation	55,195	31,203	28,337	12,025	-	-	-	-	(41,155)	85,605
Environmental Health	10,452	61,924	5,819	30,508	-	-	-	-	(48,383)	60,320
Social and Family Services	2,151	-	103	-	-	-	-	-	(40)	2,214
Planning and Development	17,390	-	11,538	-	-	-	-	-	(9,733)	19,195
Recreation and Culture	33,881	-	36,676	-	13,920	878	13,583	21,168	(38,910)	81,196
Property Purchases and Development	3,180	-	76,886	-	-	-	-	-	(77,417)	2,649
Saskatoon Light & Power	-	114,296	-	11,482	-	-	-	-	(43,348)	82,430
Debt Servicing Costs	4,819	5,289	-	-	-	-	-	-	(330)	9,778
Total Expenses	253,466	212,712	170,121	54,015	13,920	878	13,583	21,168	(281,955)	457,908
Surplus (Deficit) of Revenues over Expenses	$ 578	$ 360	$ 42,603	$ 1,875	$ (93)	$ (5)	$ (89)	$ 144	$ 87,202	$ 132,575

Schedule 4 - Schedule of Financial Activities by Segment For the Year Ended December 31, 2009 (in thousands of dollars)

	General Operating	Utility Operating	General Capital	Utility Capital	Library	Mendel	TCU Place	CUC	Eliminations	2009
Revenues										
Taxation	$ 121,990	$ -	$ 3,970	$ -	$ 13,917	$ -	$ -	$ -	$ (3,527)	$ 136,350
Grants in Lieu of Taxes	26,651	-	-	-	-	-	-	-	(22,488)	4,163
User Charges	21,456	228,887	-	-	366	443	10,714	29,925	(37,993)	253,798
FCM Green Fund Grant	-	-	-	377	-	-	-	-	-	377
FCM	-	-	-	183	-	-	-	-	-	183
Government Transfers	37,816	38	18,922	24,289	634	632	-	-	1,389	83,720
Green Municipal Fund FCM	-	-	-	2,303	-	-	-	-	(2,303)	-
CMHC Municipal Infrastructure Lending Program	-	-	-	33,190	-	-	-	-	(33,190)	-
Investment Income	7,406	-	-	-	-	-	40	49	2,765	10,260
Contribution from Developers	-	-	52,268	348	-	-	-	-	48,251	109,916
Other	63,165	-	-	-	488	7	-	-	3,705	67,365
Internal Borrowing	-	-	22,563	-	-	-	-	-	(22,563)	-
From Reserves	-	-	111,886	47,489	-	-	-	-	(159,375)	-
Utility Contribution	-	-	-	6,175	-	-	-	-	(6,175)	-
Total Revenues	278,484	228,925	209,609	114,354	15,405	1,082	10,754	29,974	(231,504)	666,132
Expenses										
General Government	32,597	2	3,829	-	-	-	-	-	(10,131)	29,106
Protection of Persons and Property	108,630	-	6,361	-	-	-	-	-	(3,234)	107,326
Transportation	60,735	34,476	22,162	14,200	-	-	-	-	(34,367)	93,530
Environmental Health	6,480	72,819	19,205	36,768	-	-	-	-	(34,533)	62,642
Social and Family Services	2,315	-	1,390	-	-	-	-	-	(44)	3,765
Planning and Development	18,722	-	8,126	-	-	-	-	-	(1,165)	21,055
Recreation and Culture	38,757	-	24,819	-	16,075	1,114	11,055	30,537	(8,926)	95,074
Property Purchases & Development	2,935	-	56,661	-	-	-	-	-	(694)	13,156
Saskatoon Light & Power	-	122,292	-	11,916	-	-	-	-	(43,096)	86,386
Debt Servicing Costs	6,280	1,885	-	-	-	-	-	-	-	6,620
Total Expenses	277,451	231,474	142,553	62,884	16,075	1,114	11,055	30,537	(136,190)	518,660
Surplus (Deficit) of Revenues over Expenses	$ 1,033	$ (2,549)	$ 67,056	$ 51,470	$ (670)	$ (32)	$ (301)	$ (563)	$ (95,314)	$ 147,472

Schedule 5 - Consolidated Schedule of Tangible Capital Assets

For the Year Ended December 31, 2009 (in thousands of dollars)

	Cost					Accumulated Amortization				Net Book Value	
										Tangible Capital Assets End of Year	
	Opening Balance	Additions	Disposals	Write Downs	Balance End of Year	Accumulated Amortization Beginning of Year	Accumulated Amortization on Disposals	Amortization	Accumulated Amortization End of Year	2009	2008
Land	$ 227,336	$ 720	$ 9,961	$ -	$ 218,095	$ -	$ -	$ -	$ -	$ 218,095	$ 227,336
Land improvements	124,222	3,628	-	-	127,850	73,345	-	3,934	77,279	50,571	50,877
Buildings	182,624	15,028	248	-	197,404	77,299	114	4,111	81,296	116,108	105,325
Roadways	937,840	31,837	-	-	969,677	377,707	-	25,113	402,820	566,857	560,133
Plant and Facilities	136,971	162	-	-	137,133	58,093	-	3,133	61,226	75,907	78,878
Underground Networks	777,581	27,679	-	-	805,260	219,178	-	10,625	229,803	575,457	558,403
Electrical Utility	264,895	8,573	375	-	273,093	99,326	294	7,394	106,426	166,667	165,569
Machinery and Equipment - cost	9,821	2,591	52	-	12,360	6,438	50	583	6,971	5,389	3,383
Traffic Control	12,871	1,131	-	-	14,002	7,433	-	465	7,898	6,104	5,438
Vehicles	106,816	6,347	2,846	-	110,317	60,998	2,599	5,602	64,001	46,316	45,818
Other property, plant and equipment	68,249	2,898	1,224	-	69,923	54,336	1,224	2,862	55,974	13,949	13,913
Assets under Construction	175,603	98,991	-	-	274,594	-	-	-	-	274,594	175,603
Total	$3,024,829	$ 199,585	$ 14,706	$ -	$3,209,708	$1,034,153	$ 4,281	$ 63,822	$1,093,694	$2,116,014	$1,990,676

Schedule 6 - Schedule of Financial Statement Adjustments

For the Year Ended December 31, 2009 (in thousands of dollars)

The municipality has restated its financial statements to conform to the guidelines set out in Public Sector Accounting Board's 3150 Tangible Capital Asset guideline. This guideline requires municipalities to report and amortize their tangible capital assets on their financial statements. The adjustment for long term debt reflects interest and principal that was included in Accounts Payable and Accrued Liabilties as well as in the Long Term Liabilities. The adjustment for the Library consortium reflects the proportionate consolidation for the Saskatchewan Information & Library Services Consortium (SILS).

Effect of Change on 2008 Statement of Financial Position

2008 Accumulated Surplus as previously reported	$ 181,327
Add: Net book value of tangible assets recorded	1,990,676
Adjustment for long term debt	3,026
Adjustment for Library consortium proportionate consolidation	51
Restated 2008 Accumulated Surplus	$ 2,175,080

Effect of Change on 2008 Statement of Financial Activity

Previously reported Deficiency of Revenues over Expenditures	$ (32,835)
Net Tangible capital asset expenditures	227,529
Adjustment for principal and interest on long term debt	589
Adjustment for Library consortium	51
Amortization expense	(62,759)
Restated 2008 Surplus of Revenue over Expenses	$ 132,575

Schedule 7 - Schedule of Revenues and Expenditures

For the Year Ended December 31, 2009 (in thousands of dollars)

	2008	2009	2009 Budget (Unaudited)
Revenues			
Taxation	$ 115,195	$ 121,990	$ 122,119
Grants in Lieu of Taxes	25,017	26,651	27,314
Services Provided to Other Governments	870	848	848
Sale of Services	27,168	28,989	31,220
Other Revenues from Own Sources	38,422	39,408	38,357
Transfers from Other Governments	25,802	37,816	37,000
Other Transactions	21,569	22,782	23,241
Total Revenues for the Year (Appendix 1)	254,043	278,484	280,099
Expenditures			
General Government	32,209	31,250	33,014
Protection of Persons and Property	95,430	101,722	102,662
Transportation	54,838	59,082	58,293
Environmental Health	8,959	9,607	9,476
Social and Family Services	2,137	2,252	2,310
Planning and Development	17,280	18,212	18,872
Land Management	3,181	2,855	5,225
Recreation and Culture	33,658	37,702	38,120
Debt Servicing Costs	7,593	12,147	12,127
Total Expenditures for the Year (Appendix 2)	255,285	274,829	280,099
Surplus (Deficit)	$ (1,242)	$ 3,655	$ -

Appendix 1 - Schedule of Revenues

For the Year Ended December 31, 2009 (in thousands of dollars)

	2008	2009	2009 Budget (Unaudited)
Taxation			
Property Levy	$ 115,328	$ 122,256	$ 122,314
Municipal Services Agreement	116	142	116
Trailer Occupancy	116	64	78
Amusement	57	61	44
Tax Discounts	(102)	(90)	(85)
Contribution Capital	(320)	(443)	(348)
	115,195	121,990	122,119
Grants in Lieu of Taxes			
Senior Governments and Agencies	4,345	4,163	4,430
Own Utilites - Saskatoon Light & Power	15,391	16,332	22,634
Own Utilities - Water	2,912	3,329	-
Own Utilites - Wastewater	2,148	2,365	-
Own Utilities - Transit	122	183	-
Land Bank Program	99	279	250
	25,017	26,651	27,314
Services Provided to Other Governments			
R.M. of Corman Park	60	60	60
Provincial Government	810	788	788
	870	848	848
Sale of Services			
Legal Fees	123	144	143
Tax Searches and Enforcement	189	159	200
Police	954	871	652
Fire	153	186	102
Engineering	248	617	500
Parking	4,065	4,467	4,457
Solid Waste Management	3,306	3,624	3,826
Environmental Protection	306	71	186
Transportation	172	184	161

(continued on next page)

Appendix 1 - Schedule of Revenues (continued)

For the Year Ended December 31, 2009 (in thousands of dollars)

	2008	2009	2009 Budget (Unaudited)
Cemetery	748	797	848
Planning	340	271	349
Tourist Campsite	392	462	339
Forestry Farm Park	680	638	538
Kinsmen Park Rides	160	120	162
Albert Community Centre	134	140	137
Marr Residence	-	-	1
Swimming Pools	301	280	311
Golf Courses	2,656	2,877	2,785
Skating Rinks	1,625	1,722	1,683
Rentals	3,339	4,052	4,045
Programming	3,845	4,171	4,135
Ball Fields	35	37	34
Outdoor Sports Fields	210	227	219
Land Administration Fee	3,180	2,856	5,224
River Landing	7	16	183
	27,168	28,989	31,220
Other Revenues from Own Source			
Licence and Permits	4,806	4,527	3,938
Fines and Penalties	5,288	5,888	5,256
Automated Enforcement Fines	954	1,017	1,298
Property Rentals	1,029	1,356	1,056
Franchise Fees	16,764	18,062	18,170
Interest Earnings	8,328	7,406	7,347
Tax Penalties	914	994	950
Other Revenue	339	158	342
	38,422	39,408	38,357
Transfers from Other Governments			
Federal:			
Police	376	732	563
Community Development	67	74	69
City Clerk's - Special Programs	17	-	-
Gas Tax Program	373	1,942	1,930

(continued on next page)

Appendix 1 - Schedule of Revenues (continued)

For the Year Ended December 31, 2009 (in thousands of dollars)

	2008	2009	2009 Budget (Unaudited)
Provincial:			
Revenue Sharing	20,541	29,233	29,230
West Nile Virus Control	223	273	-
Police - Special Programs	3,323	4,231	4,321
Fire - Special Programs	78	93	78
Access Transit	599	679	670
Community Development	162	130	81
Prov of Sask - Urban Connector Grant	-	394	-
Social Development	20	35	35
Dutch Elm Disease	23	-	23
	25,802	37,816	37,000
Other Transactions			
Utility Return on Investment	18,088	19,504	19,957
Administration Recovery	1,895	1,952	1,952
Other	86	76	82
Land Bank	1,500	1,250	1,250
	21,569	22,782	23,241
Total Revenues	$ 254,043	$ 278,484	$ 280,099

Appendix 2 - Schedule of Expenditures

For the Year Ended December 31, 2009 (in thousands of dollars)

	2008	2009	2009 Budget (Unaudited)
General Government			
Legislative	$ 1,074	$ 1,221	$ 1,328
Administrative	7,268	8,500	8,117
Financial	4,717	4,026	4,174
Assessment	2,580	2,591	2,840
Common Services	15,298	14,705	15,794
General Payroll Costs	4	(251)	496
Other	954	148	(81)
Grants	50	50	50
Tax Abatements	264	260	296
	32,209	31,250	33,014
Protection of Persons and Property			
Police	57,671	62,012	63,406
Province of Saskatchewan - Court Costs	1,164	1,094	1,033
Automated Enforcement Costs	954	1,017	1,297
Fire	29,882	32,192	32,202
Emergency Measures	168	178	199
Inspections	3,902	3,497	2,995
Animal and Pest Control	1,689	1,732	1,530
	95,430	101,722	102,662
Transportation			
Engineering	2,927	3,104	3,338
Roads and Streets	3,142	3,213	4,145
Drainage and Snow Removal	4,966	6,606	5,577
Street Cleaning	1,902	2,184	1,844
Bridges, Crossings, Subways	451	399	613
Street Lighting	4,234	4,721	4,788
Transportation Services	12,863	13,229	12,904
Parking	3,195	3,455	3,432
Transit Operations - Excludes Surplus	18,355	18,975	18,488
Access Transit	2,803	3,196	3,164
	54,838	59,082	58,293

(continued on next page)

Appendix 2 - Schedule of Expenditures (continued)

For the Year Ended December 31, 2009 (in thousands of dollars)

	2008	2009	2009 Budget (Unaudited)
Environmental Health			
Waste Collection and Disposal	7,779	8,589	8,378
Environmental Protection	1,180	1,018	1,098
	8,959	9,607	9,476
Social and Family Services			
Cemetery	957	962	991
Burial of Indigents	38	29	28
Social Housing Facilitation	115	101	124
White Buffalo Youth Lodge	109	119	119
Safer City	43	51	55
Detoxification Centre	100	100	100
Grants	702	739	743
Social Development	73	151	150
	2,137	2,252	2,310
Planning and Development			
Planning	3,135	3,433	3,673
Buildings and Grounds Maintenance	10,836	11,052	11,691
Tourist Campsite	392	463	340
Tourism Saskatoon	365	372	372
Economic Development	1,800	2,084	1,982
Meewasin Valley Authority	640	679	679
Business Improvement Districts	106	108	108
Urban Design	6	21	27
	17,280	18,212	18,872
Property Purchases and Development			
Land Management	3,181	2,855	5,225
	3,181	2,855	5,225
Recreation and Culture			
Administration	1,951	2,112	2,200
Forestry Farm Park	1,943	2,037	2,070
Community Services	2,625	2,751	2,885
Kinsmen Park Rides	196	172	192
Albert Community Center	218	215	227

(continued on next page)

Appendix 2 - Schedule of Expenditures (continued)

For the Year Ended December 31, 2009 (in thousands of dollars)

	2008	2009	2009 Budget (Unaudited)
Marr Residence	15	11	20
Swimming Pools	1,708	1,680	1,783
Golf Courses	2,655	2,877	2,786
Skating Rinks	1,875	1,959	1,999
Recreation/Competitive Facilities			
Rentals	6,662	8,249	8,042
Programming	5,885	7,097	7,154
Ballfields	239	262	249
Outdoor Sports Fields	306	314	320
Boards:			
Credit Union Centre	559	509	509
TCU Place	1,412	1,415	1,415
Mendel Art Gallery	1,864	2,065	2,065
River Landing	77	88	252
Building Maintenance	370	488	622
Program Development	1,561	1,707	1,636
Subsidy - Minor Sports	1,103	1,260	1,260
Wanuskewin Heritage Park	184	184	184
Special Events	250	250	250
	33,658	37,702	38,120
Debt Servicing Costs			
Debt Charges	6,317	10,992	10,973
Interest Paid to Utilites	1,120	995	996
Banking Services	156	160	158
	7,593	12,147	12,127
Total Expenditures	$ 255,285	$ 274,829	$ 280,099

Appendix 3 - Water Utility - Statement of Revenues and Expenditures

For the Year Ended December 31, 2009 (in thousands of dollars)

	2008	2009	2009 Budget (Unaudited)
Revenues			
Metered	$ 32,395	$ 34,807	$ 35,986
Infrastructure Levy	3,577	3,811	3,933
Miscellaneous	114	115	124
Fire Protection Charge	603	603	603
Late Payment Penalites	137	130	134
	36,826	39,466	40,780
Expenditures			
General	5,968	6,571	6,614
Laboratory	386	408	454
Treatment and Pumping	7,645	8,293	7,998
Buildings and Grounds	663	732	702
Meters	979	1,177	1,191
Watermains	5,666	6,110	5,195
Hydrants	705	988	766
Services	1,732	1,817	1,595
Contribution to Capital Reserves	8,864	9,000	9,185
Debt Charges	6,128	6,997	7,079
	38,736	42,093	40,780
Deficit Before Transfer from Reserve	(1,910)	(2,627)	-
Transfer from Stabilization Reserve	1,905	2,615	-
Deficit	$ (5)	$ (12)	$ -

Appendix 4 - Wastewater Utility - Statement of Revenues and Expenditures

For the Year Ended December 31, 2009 (in thousands of dollars)

	2008	2009	2009 Budget (Unaudited)
Revenues			
Metered	$ 23,658	$ 25,721	$ 27,109
Infrastructure Levy	4,940	5,263	5,431
Late Payment Penalties	92	87	90
Miscellaneous	474	661	548
Flood Protection Levy	2,250	3,415	3,300
	31,414	35,147	36,478
Expenditures			
General	4,469	4,589	4,721
Laboratory	402	450	447
Lift Stations	857	870	1,036
Pollution Control Plant	5,179	5,536	5,750
Sludge Handling and Disposal	1,946	1,697	2,101
Sewer Engineering	314	265	355
Sewer Inspections	188	331	372
Sewer Maintenance	2,001	2,163	2,810
Service Connections	1,741	2,150	2,129
Contribution to Capital Reserves	12,058	13,610	13,692
Debt Charges	2,163	2,954	3,065
	31,318	34,615	36,478
Surplus Before Transfer to Reserve	96	532	-
Transfer to Stabilization Reserve	(96)	(532)	-
Surplus (Deficit)	$ -	$ -	$ -

Appendix 5 - Storm Water Management Utility - Statement of Revenues and Expenditures

For the Year Ended December 31, 2009 (in thousands of dollars)

	2008	2009	2009 Budget (Unaudited)
Revenues			
Metered	$ 3,297	$ 3,337	$ 3,318
Late Payment Penalties	9	9	9
	3,306	3,346	3,327
Expenditures			
General	207	209	319
Storm Sewer Engineering	191	217	216
Storm Sewer Maintenance	657	1,219	932
Drainage	303	444	404
Contribution to Capital Reserves	1,564	1,456	1,456
	2,922	3,545	3,327
Surplus (Deficit) Before Transfer to Reserve	384	(199)	-
Transfer from (to) Stabilization Reserve	(384)	199	-
Surplus (Deficit)	$ -	$ -	$ -

Appendix 6 - Saskatoon Light & Power Utility - Statement of Revenues and Expenditures

For the Year Ended December 31, 2009 (in thousands of dollars)

	2008	2009	2009 Budget (Unaudited)
Revenues			
Metered	$ 102,587	$ 108,801	$ 110,133
Municipal Surcharge	10,258	10,879	11,013
Service Connection Fee	434	418	450
Miscellaneous	463	471	472
Prov of Sask - Urban Connector Grant	-	38	-
Tax Collection Commission	2	2	2
Late Payment Penalties	229	216	224
	113,973	120,825	122,294
Expenditures			
General	19,549	20,668	20,835
Power Purchased	63,683	65,929	67,135
Buildings and Grounds	560	682	620
Poles, Lines, and Feeders	3,387	3,744	3,469
Substations	729	720	763
Street Lighting	915	1,130	885
Meters	1,026	1,084	1,021
System Operations	85	102	119
Provision for Capital Extension	1,241	1,713	2,029
Provision for Capital Replacement	6,031	5,777	5,461
	97,206	101,549	102,337
Surplus Before Transfer from Reserve	16,767	19,276	19,957
Transfer from Stabilization Reserve	1,326	243	-
Surplus	$ 18,093	$ 19,519	$ 19,957

Appendix 7 - Transit Utility - Statement of Revenues and Expenditures

For the Year Ended December 31, 2009 (in thousands of dollars)

	2008	2009	2009 Budget (Unaudited)
Revenues			
Mail Carriers	$ 9	$ 10	$ 10
Passes	5,260	5,656	5,617
Cash Fares	2,061	2,090	2,098
Ticket Sales	1,466	1,651	1,714
Charter	740	882	953
Senior Citizens' Passes	362	376	365
General Services Operating Allowance	16,793	18,488	18,488
Advertising	375	489	472
Province of Saskatchewan	487	499	503
	27,553	30,141	30,220
Expenditures			
General	2,103	2,430	2,403
Transportation			
Planning	319	335	393
Operating	13,033	13,869	13,430
Supervision	1,594	1,761	1,602
Customer Services	570	598	590
Equipment Servicing	8,067	8,225	8,300
Equipment Repair	576	436	517
Stores	156	155	169
Buildings	890	1,071	1,066
Contribution to Capital Reserves	1,807	1,750	1,750
	29,115	30,630	30,220
Deficit Before Transfer from Reserve	(1,562)	(489)	-
Deficit	$ (1,562)	$ (489)	$ -

TRUST FUNDS

City of Saskatoon Saskatchewan Canada

Auditors' Report - Deloitte & Touche LLP Chartered Accountants

His Worship the Mayor and City Council:

We have audited the Balance Sheet of the Trust Funds of the City of Saskatoon (the "City") as at December 31, 2009 and the Statement of Changes in Net Assets for the year then ended. These financial statements are the responsibility of the City's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Trust Funds of the City of Saskatoon as at December 31, 2009 and the results of its operations and the changes in its financial position for the year then ended in accordance with Canadian generally accepted accounting principles.

Deloitte & Touche LLP

Chartered Accountants

Saskatoon, Saskatchewan

May 28, 2010

Trust Funds - Balance Sheet

As at December 31, 2009 (in thousands of dollars)

	2008	2009	2009	2009
	Total	Cemetery Perpetual Care	Group Insurance Trust	Total
Assets				
Cash and Cash Equivalents	$ 331	$ 70	$ 194	$ 264
Accounts Receivable	5	11	-	11
Accrued Interest	24	19	-	19
Investments	2,771	3,055	-	3,055
	3,131	3,155	194	3,349
Liabilities and Net Assets				
Accounts Payable	28	38	-	38
Net Assets	3,103	3,117	194	3,311
	$ 3,131	$ 3,155	$ 194	$3,349

Trust Funds - Statement of Changes in Net Assets

For the Year Ended December 31, 2009 (in thousands of dollars)

	2008	2009	2009	2009
	Total	Cemetery Perpetual Care	Group Insurance Trust	Total
Increase in Net Assets				
Sale of Cemetery Plots	$ 78	$ 79	$ -	$ 79
Interest Earned	150	181	1	182
	228	260	1	261
Decrease in Assets				
Transfer to (from) Revenue Fund	225	151	(98)	53
	225	151	(98)	53
Increase in Net Assets	3	109	99	208
Net Assets, Beginning of Year	3,100	3,008	95	3,103
Net Assets, End of Year	$ 3,103	$ 3,117	$ 194	$ 3,311

Trust Funds - Notes to the Financial Statements

For the Year Ended December 31, 2009 (in thousands of dollars)

1. Accounting Policies

Basis of Accounting

a. Trust Funds

The Trust Funds operate on the accrual basis of accounting. Any interest earned but not received as at December 31 has been recorded in Accrued Interest.

2. Investments

a. Trust Funds

The total of investments of $3,055 (2008 - $2,771) recorded on the Balance Sheet at cost, have a market value of $3,396 (2008 - $3,000) at December 31. Investments consist of provincial promissory notes and federal, provincial, municipal government, and corporate bonds with an effective interest rate ranging from 0.324 percent to 6.740 percent.

3. Fund Purpose

a. Group Insurance Trust Fund

Premiums are shared equally between the employer and the employee. Surpluses are generated when premiums exceed administration charges and claims payments by the carrier. A portion of the accumulated funds are used to reduce both the employer's and employee's premiums. In the event of a surplus, under the terms of the Underwriting Agreement, the claims Fluctuation Reserve held by the Group Insurance Trust Fund for 2009 must be at least 25 percent of premiums paid, or $246.

b. Cemetery Perpetual Care Trust Fund

The Perpetual Care Fund is intended to provide the necessary annual funding for the maintenance services to the cemetery in perpetuity.

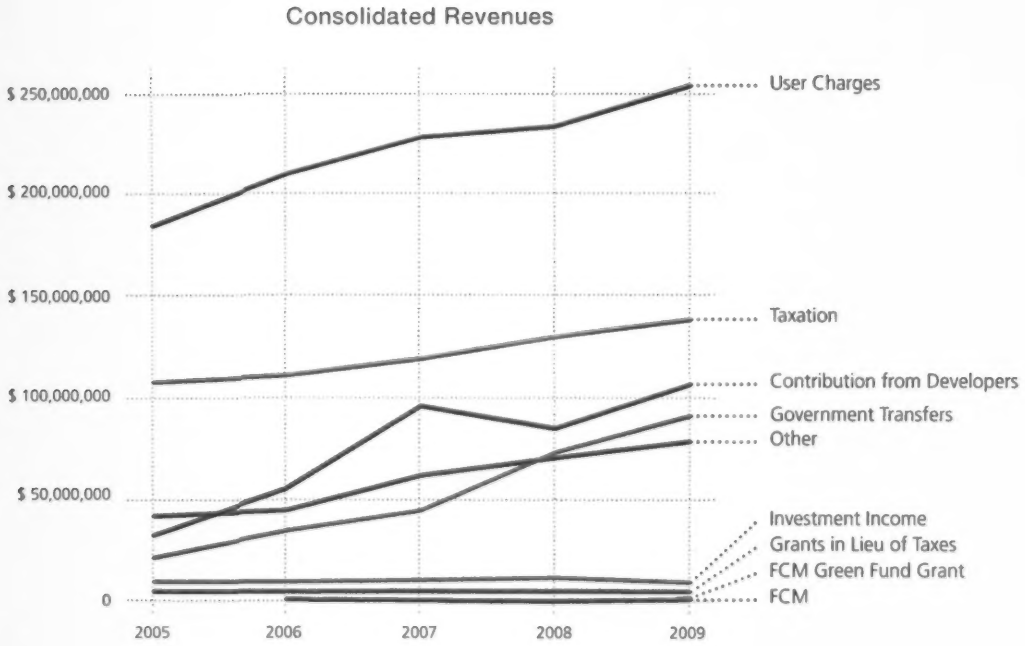
STATISTICS

City of Saskatoon Saskatchewan Canada

Consolidated Revenues and Expenditures

For the Years Ended December 31, 2005 to 2009 (in thousands of dollars)

	2005	2006	2007	2008 (Restated Schedule 6)	2009
Consolidated Revenues					
Taxation	$ 109,133	$ 112,775	$ 119,171	$ 128,320	$ 136,350
Grants in Lieu of Taxes	4,154	4,181	4,147	4,345	4,163
User Charges	186,602	205,392	229,825	233,439	253,798
Federation of Canadian Municipalities (FCM)	-	16	52	35	183
FCM Green Fund Grant	-	-	-	-	377
Government Transfers	22,934	31,281	46,224	63,982	83,720
Investment Income	10,804	10,007	10,757	12,690	10,260
Contribution from Developers	36,588	55,617	96,321	84,918	109,916
Other	46,795	47,538	58,451	62,754	67,365
Total Revenues	$ 417,010	$ 466,807	$ 564,948	$ 590,483	$ 666,132

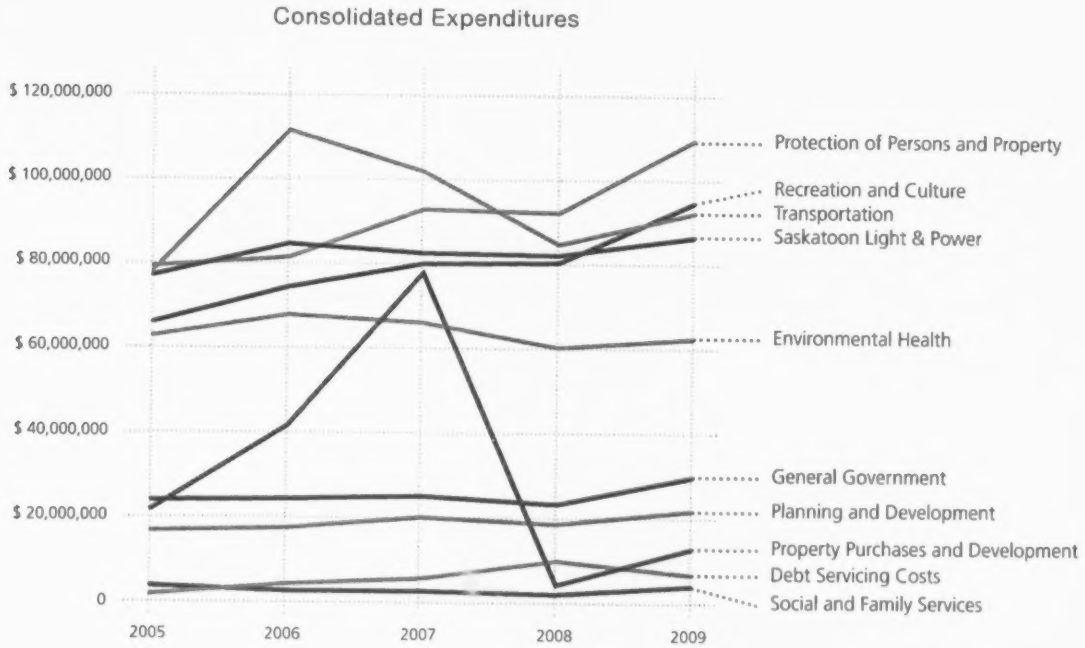


Consolidated Revenues and Expenditures (continued)

For the Years Ended December 31, 2005 to 2009 (in thousands of dollars)

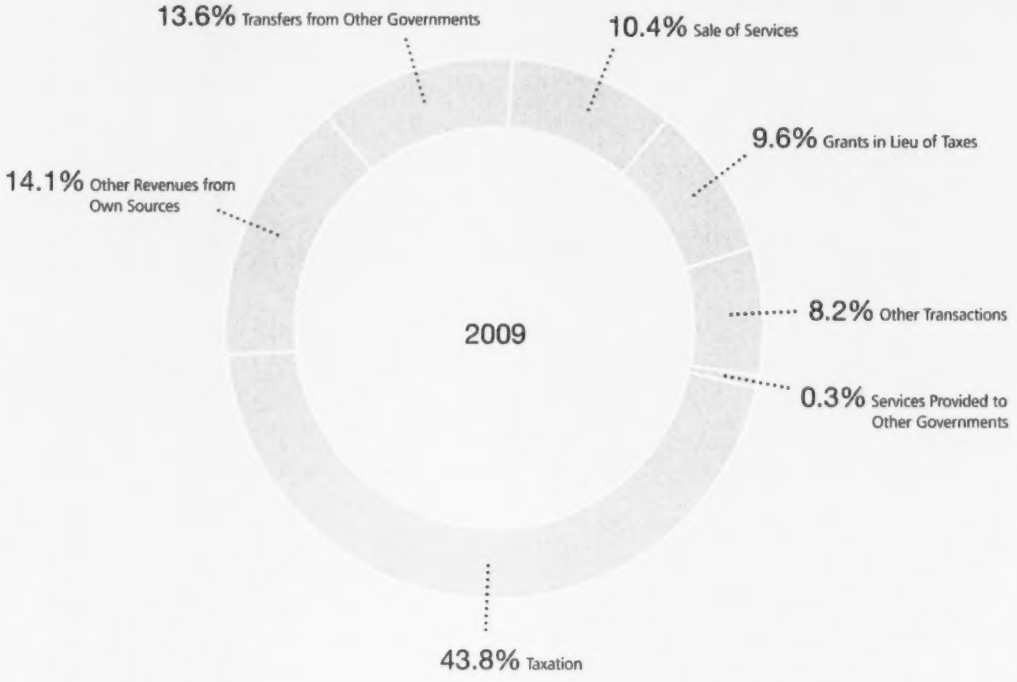
	2005	2006	2007	2008 (Restated Schedule 6)	2009
Consolidated Expenditures					
General Government	$ 24,024	$ 24,507	$ 24,602	$ 23,033	$ 29,106
Transportation	78,460	113,864	102,005	85,605	93,530
Protection of Persons and Property	79,332	83,179	94,670	91,488	107,326
Recreation and Culture	66,684	74,130	80,575	81,196	95,074
Social and Family Services	4,315	2,140	2,429	2,214	3,765
Planning and Development	17,406	18,715	20,012	19,195	21,055
Property Purchases and Development	23,370	41,807	79,867	2,649	13,156
Saskatoon Light & Power	77,818	85,186	83,096	82,430	86,386
Environmental Health	63,191	67,986	65,842	60,320	62,642
Debt Servicing Costs	3,896	4,082	6,728	9,778	6,620
Total Expenditures	$ 438,496	$ 515,596	$ 559,826	$ 457,908	$ 518,660
Excess (Deficiency) of Revenues over Expenditures	$ (21,486)	$ (48,789)	$ 5,122	$ 132,575	$ 147,472

Accounting principles applicable for 2005, 2006 and 2007 were significantly different as capital expenditures were expensed and there was no amortization on tangible capital assets - see Note 19 and Schedule 6.



Summary of Revenues (Schedule 7)

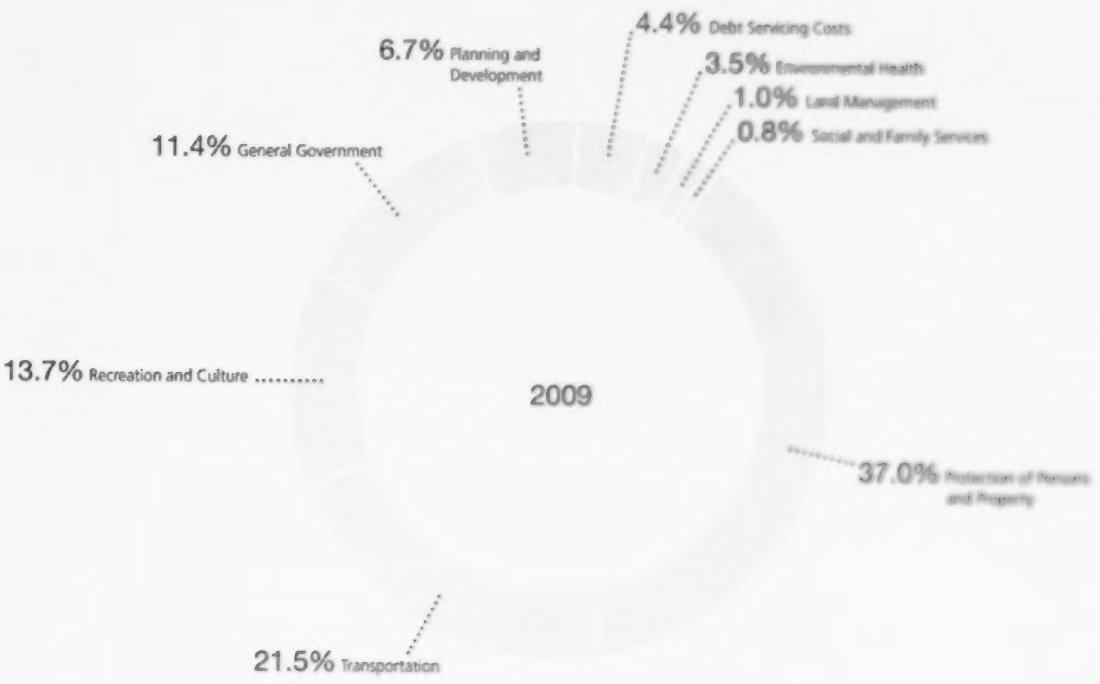
For the Years Ended December 31, 2005 to 2009 (in thousands of dollars)


13.6% Transfers from Other Governments
10.4% Sale of Services
9.6% Grants in Lieu of Taxes
14.1% Other Revenues from Own Sources
8.2% Other Transactions
2009
0.3% Services Provided to Other Governments
43.8% Taxation

	2005	2006	2007	2008	2009
Taxation	$ 97,795	$ 101,104	$ 107,062	$ 115,195	$ 121,990
Grants in Lieu of Taxes	21,332	22,646	24,905	25,017	26,651
Services Provided to Other Governments	803	807	828	870	848
Sale of Services	18,461	18,748	25,814	27,168	28,989
Other Revenues from Own Sources	33,803	34,178	37,355	38,422	39,408
Transfers from Other Governments	13,462	18,219	22,262	25,802	37,816
Other Transactions	17,808	17,448	19,430	21,569	22,782
	$ 203,464	$ 213,150	$ 237,656	$ 254,043	$ 278,484

Summary of Expenditures (Schedule 7)

For the Years Ended December 31, 2005 to 2009 (in thousands of dollars)



	2005	2006	2007	2008	2009
General Government	$ 27,995	$ 29,939	$ 31,496	$ 32,209	$ 31,250
Protection of Persons and Property	75,676	82,063	89,804	95,430	101,732
Transportation	40,543	44,865	50,202	54,838	59,052
Environmental Health	6,265	6,556	8,146	8,959	9,607
Social and Family Services	3,761	1,922	1,947	2,137	2,252
Planning and Development	13,846	14,899	16,342	17,280	18,212
Land Management	23,370	41,807	4,744	3,181	2,855
Recreation and Culture	28,178	29,795	31,058	33,658	37,702
Debt Servicing Costs	4,494	4,954	5,349	7,593	12,147
	$ 224,128	$ 256,800	$ 239,088	$ 255,285	$ 274,829

Summary of Capital Operations

For the Years Ended December 31, 2005 to 2009 (in thousands of dollars)

	2005	2006	2007	2008	2009
Sources of Funds					
Province of Saskatchewan	$ 358	$ 8,152	$ 10,046	$ 943	$ 310
Saskatchewan Water Corporation	23	250	27	712	279
Municipal Economic Enhancement Program	-	-	-	-	22,012
Canada Strategic Infrastructure Fund	-	-	6,112	4,905	2,682
Federal Gas Tax Program	-	3,647	-	11,327	8,113
Municipal Rural Infrastructure Fund	1,502	399	2,114	4,656	223
Canada/Saskatchewan Infrastructure Program	5,225	34	-	-	-
Provincial Building Communities Program	-	-	-	3,650	747
Provincial Community Shares Program	-	-	-	1,753	1,453
Government of Canada	-	59	21	211	70
Cultural Capitals of Canada Program	-	30	1,058	776	172
Transport Canada	137	-	-	-	11
Federal Transit Funding Program	-	-	3,434	6,839	6,795
Federal Infrastructure Stimulus Fund	-	-	-	-	343
Federation of Canadian Municipalities (FCM)	-	16	52	35	183
FCM Green Fund Grant	-	-	-	-	377
Green Municipal Fund Federation of Canadian Municipalities	-	-	-	-	2,303
Canada Mortgage and Housing Corporation Municipal Infrastructure Lending Program	-	-	-	-	33,190
Internal Borrowing	-	-	-	-	22,563
Taxation	50	1,376	1,627	5,088	3,970
Utility Contribution	-	-	3	6,520	6,175
Borrowing	21,841	-	500	32,100	-
Contributions from Developers Benefitting Property Owners and Other Users	5,820	15,250	9,285	12,300	23,734
Appropriations					
Sinking Fund	-	3,000	-	-	-
Operating Surplus	100	500	-	-	-
Reserves	97,903	127,836	160,084	165,072	159,375
	132,959	160,549	194,363	256,887	295,080

(continued on next page)

Summary of Capital Operations (continued)

For the Years Ended December 31, 2005 to 2009 (in thousands of dollars)

	2005	2006	2007	2008	2009
Application of Funds					
General Government	4,033	3,002	4,332	6,337	3,725
Protection of Persons and Property	1,688	1,799	3,063	4,354	6,188
Transportation	35,711	60,357	55,071	40,097	35,371
Environmental Health	26,308	27,553	28,711	36,088	54,450
Social and Family Services	541	737	574	102	1,352
Planning and Development	3,597	3,633	4,889	11,454	7,905
Recreation and Culture	6,373	8,237	15,934	34,425	12,459
Property Purchases and Development	24,000	36,162	80,122	83,266	55,503
Saskatoon Light & Power Expansion and Replacements	9,431	10,302	9,857	11,406	11,592
	111,682	151,782	202,553	227,529	188,545
Increase (Decrease) in Unexpended Capital Financing	21,277	8,767	(8,190)	29,358	106,535
Unexpended Capital Financing, Beginning of Year	75,939	97,216	105,983	97,793	127,151
Unexpended Capital Financing, End of Year	$ 97,216	$ 105,983	$ 97,793	$ 127,151	$ 233,686

Summary of Public Utilities Operating Results

For the Years Ended December 31, 2005 to 2009 (in thousands of dollars)

	2005	2006	2007	2008 (Restated Schedule 6)	2009
Net surplus after deducting operating expenses, debt charges and contributions to reserves:					
Water	$ -	$ -	$ -	$ (5)	$ (12)
Saskatoon Light & Power	15,999	15,582	17,499	18,093	19,519
Transit System (before contribution from General Revenue)	(12,465)	(13,222)	(15,709)	(18,355)	(18,975)
Net Surplus	3,534	2,360	1,790	(267)	532
Amount contributed by Utilities to Revenue as Grant in Lieu of Taxes	$ 17,169	$ 18,440	$ 20,677	$ 20,573	$ 22,210

Summary of Reserves and Surplus

For the Years Ended December 31, 2005 to 2009 (in thousands of dollars)

	2005	2006	2007	2008 (Restated Schedule 6)	2009
Reserves					
Property Realized	$ 19,906	$ 7,833	$ 16,841	$ 14,504	$ 19,777
Replacement	27,994	24,554	26,154	9,241	(27,506)
Future Expenditures	81,691	67,223	76,087	63,702	74,747
Surplus (Deficit)	2,706	(1,843)	(1,432)	(1,242)	3,655
	$ 132,297	$ 97,767	$ 117,650	$ 86,205	$ 70,673

Consolidated Summary of Expenditures (by object code)

For the Years Ended December 31, 2005 to 2009 (in thousands of dollars)

	Wages and Benefits	Contracted and General Services	Donations, Grants, Subsidies	Heating, Light, Power, Water, Telephone	Materials, Goods, Supplies	Finance Charges	Amortization	Total
General Government	$ 16,105	$ 8,027	$ 415	$ 43	$ 924	$ 5	$ 3,587	$ 29,106
Protection of Persons & Property	88,476	15,282	145	564	1,379	-	1,480	107,327
Transportation	37,843	12,152	-	5,173	6,343	57	31,960	93,530
Environmental Health	23,207	15,529	-	3,847	3,953	5,809	10,295	62,642
Social and Family Services	726	1,958	799	46	130	1	104	3,765
Planning and Development	9,534	4,168	2,456	1,108	577	6	3,207	21,055
Recreation & Culture	33,478	41,873	2,393	4,649	6,187	1,244	5,249	95,073
Property Purchases and Development	2,107	10,958	-	8	18	-	65	13,156
Saskatoon Light & Power	6,725	4,518	-	66,242	1,028	-	7,874	86,386
Debt Servicing Costs	-	564	-	-	-	6,057	-	6,620
Total 2009	**$ 218,201**	**$ 115,030**	**$ 6,208**	**$ 81,681**	**$ 20,539**	**$ 13,180**	**$ 63,822**	**$ 518,660**
Total 2008	$ 189,957	$ 88,631	$ 5,619	$ 78,192	$ 22,763	$ 9,987	$ 62,759	$ 457,908
Total 2007	$ 166,066	$ 279,104	$ 5,407	$ 78,223	$ 18,392	$ 7,890	$ -	$ 555,082
Total 2006	$ 180,014	$ 233,428	$ 5,114	$ 76,409	$ 16,081	$ 4,550	$ -	$ 515,596
Total 2005	$ 160,665	$ 183,747	$ 4,507	$ 69,690	$ 15,619	$ 4,268	$ -	$ 438,496

Note: Contracted and General Services for 2005 to 2007 includes capital expenses. Amortization is not applicable for these years.

Summary of Long Term Debt and Required Sinking Fund Consolidation of All Obligations

As at December 31, 2005 to 2009 (in thousands of dollars)

	2005	2006	2007	2008	2009
Total Long Term Debt	$ 48,125,223	$ 42,719,327	$ 47,656,006	$ 89,144,000	$ 115,341
Less Sinking Fund	2,689,183	1,459,273	910,144	-	-
	45,436,040	41,260,054	46,745,862	89,144,000	115,341
Population Estimate at Dec. 31 (1)	206,500	207,200	208,300	209,400	218,900
Gross Debt Per Capita	$ 233	$ 206	$ 229	$ 426	$ 527
Net Debt Per Capita	$ 220	$ 199	$ 224	$ 426	$ 527
Mill Rate Supported Debt	$ 121	$ 110	$ 145	$ 353	$ 314
Legal Debt Limit	$ 298,000,000	$ 298,000,000	$ 298,000,000	$ 298,000,000	$298,000,000
Debt servicing costs as a percentage of total expenditures	0.890%	0.790%	1.210%	0.660%	1.280%

(1) Population data is provided by the City Planning Branch, derived from Statistics Canada census data.

Summary of Long-Term Debt and Required Sinking Fund by Responsibility Centre

For the Year Ended December 31, 2009

	2008	Sinking Fund at Dec. 31/08	2009	Sinking Fund at Dec. 31/09
Waterworks Utility	$ 9,627,020	$ -	$ 41,631,795	$ -
Wastewater Utility	$ 5,593,980	$ -	$ 4,884,140	$ -
Total Debt Not Supported by Civic Mill Rate	$ 15,221,000	$ -	$ 46,515,935	$ -
Total Civic Mill Rate Debt	$ 73,923,000	$ -	$ 68,825,446	$ -
Total Long Term Debt	$ 89,144,000		$ 115,341,381	
Net Debt (2)	$ 89,144,000		$ 115,341,381	
Population Estimate at Dec. 31 (3)	209,400		218,900	
Gross Debt Per Capita	$ 426		$ 527	
Net Debt Per Capita	$ 426		$ 527	
Mill Rate Supported Debt	$ 353		$ 314	

(1) Including City share of Water and Wastewater Local Improvements.

(2) All figures are based on book values and have not been adjusted for foreign currency exchange.

(3) Population data is provided by the City Planning Branch, derived from Statistics Canada census data.

Long Term Debt Maturing With Percentages

As at December 31, 2009

Year	Debentures Maturing	Percentage Yearly	Percentage Reduction Accumulated
2010	$ 13,827,000	11.990%	11.990%
2011	14,352,000	12.440%	24.430%
2012	14,907,000	12.920%	37.360%
2013	13,183,000	11.430%	48.790%
2014	10,465,000	9.070%	57.860%
2015	10,868,000	9.420%	67.280%
2016	8,808,000	7.640%	74.920%
2017	9,135,000	7.920%	82.840%
2018	9,473,000	8.210%	91.050%
2019	5,865,000	5.080%	96.130%
2020	2,031,000	1.760%	97.900%
2021	997,000	0.860%	98.760%
2022	1,042,000	0.900%	99.660%
2023	190,000	0.160%	99.830%
2024	198,000	0.170%	100.000%
Total	$ 115,341,000	100.000%	

Summary of Property Assessment and Tax Levy

For the Years Ended December 31, 2005 to 2009

	2005*	2006	2007	2008	2009*
Gross Assessments	$ 10,179,196,988	$ 10,362,452,800	$ 10,535,989,990	$ 10,727,114,965	$ 14,459,817,161
Exemptions	2,377,784,262	2,357,374,005	2,380,698,125	2,378,230,390	3,179,330,802
Assessed Value for Taxation	$ 7,801,412,726	$ 8,005,078,795	$ 8,155,291,865	$ 8,348,884,575	$ 11,280,486,359
	Mills	Mills	Mills	Mills	Mills
Tax Rate:					
General	12.27	12.45	12.98	13.67	10.66
Library	1.42	1.43	1.45	1.52	1.21
Education:					
Public Board/ Separate Board	17.10	17.58	18.07	18.78	10.08
Total	30.79	31.46	32.50	33.97	21.95
	$ 242,572,222	$ 252,905,014	$ 262,313,610	$ 277,404,968	$ 278,828,559
Property Roll Collections:					
Current	$ 240,523,030	$ 250,106,925	$ 260,549,795	$ 275,395,743	$ 268,951,792
Arrears	6,554,429	7,409,207	6,383,337	4,949,478	5,271,525
Total Collected	$ 247,077,459	$ 257,516,132	$ 266,933,132	$ 280,345,221	$ 274,223,317
Percentage of Levy Collected:					
Current	97.340%	94.540%	93.890%	97.790%	97.090%
Current and Arrears	93.720%	93.330%	93.620%	97.550%	96.920%
Taxes Outstanding:					
Current	$ 5,912,631	$ 5,212,455	$ 3,835,898	$ 4,822,306	$ 5,025,820
Arrears	3,142,864	2,393,853	1,924,893	1,095,263	1,138,992
Net Outstanding	$ 9,055,495	$ 7,606,308	$ 5,760,791	$ 5,917,569	$ 6,164,812

* Reassessment

Economic Highlights

Saskatoon Economic Statistics

For the Years Ended December 31, 2005 to 2009 (in thousands of dollars)

	2005	2006	2007	2008	2009
Saskatoon population (December 31)*:	206,500	207,200	208,300	209,400	218,900
Annual change	0.300%	0.330%	0.530%	0.530%	4.540%
Saskatoon inflation rate - annual change	2.300%	2.100%	3.400%	3.900%	0.900%
Saskatoon unemployment rate - annual average	6.600%	5.900%	5.700%	5.700%	7.000%
No. of Persons Employed in Saskatoon	126,400	128,000	135,500	138,200	143,200
Saskatoon Building Permits					
Total Number	2,444	2,709	3,672	3,516	3,550
Total Value	$ 276,600	$ 323,400	$ 549,400	$ 610,200	$ 537,900
Annual Change	27.200%	16.900%	69.900%	11.070%	(11.850)%

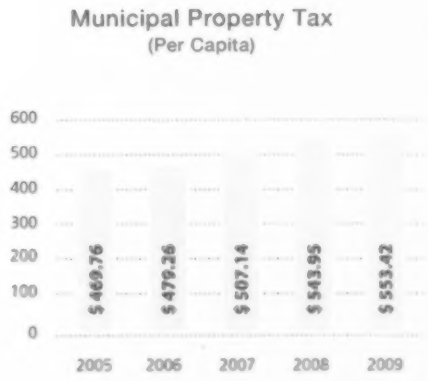
* Population data is provided by the City Planning Branch, derived from Statistics Canada census data.

Sources of Information:
Statistics Canada
City of Saskatoon - Planning Branch, Community Services Department

Major Taxpayers in Saskatoon

2009 Taxable Assessment (in thousands of dollars)

Midtown Plaza Inc.	$ 146,560
Boardwalk Reit Properties Holdings Ltd.	62,086
Preston Crossing Proprties Inc.	58,498
Westfair Properties Ltd.	57,940
Centre At Circle & Eigth Property Inc.	56,608
Saskashop Centre Inc	47,979
101042414 Saskatchwan Ltd.	44,810
959630 Alberta Inc.	40,373
Saskatoon Airport Authority	37,366
Dundee Realty Corpcation	32,369
CNH Canada Ltd.	29,293
Confederation Shopping Centre Inc.	28,173



Economic Highlights (continued)

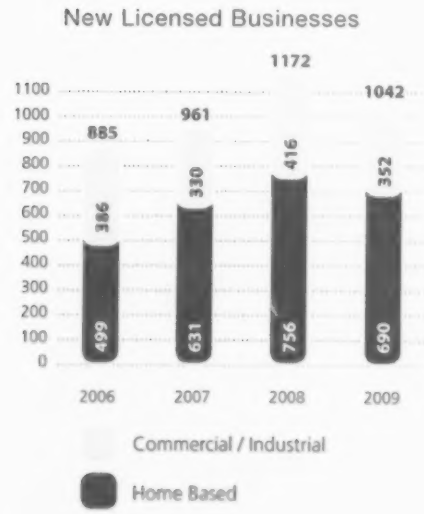
Building Permits Statistics for 2009 vs 2008

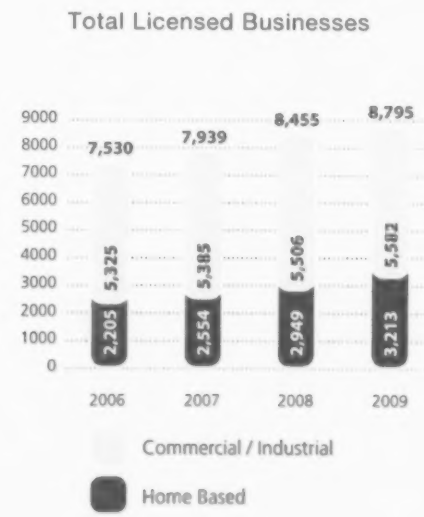
	Number of Permits			Construction Value ($ million)		
Category	Dec 31/09	Dec 31/08	Change %	Dec 31/09	Dec 31/08	Change %
Residential	2559	2458	4.1%	$ 118.4	$ 110.7	7.0%
Apartments and Housing Projects	211	232	-9.1%	$ 66.9	$ 92.2	-27.4%
Commercial	274	319	-14.1%	$ 92.4	$ 120.0	-23.0%
Industrial	190	174	9.2%	$ 61.1	$ 87.2	-29.9%
Institutional and Assembly	90	87	3.4%	$ 185.2	$ 177.7	4.2%
Other (includes demolition permits)	226	246	-8.1%	$ 13.9	$ 22.4	-37.9%
Total	3550	3516	1.0%	$ 537.9	$ 610.2	-11.8%

Summary of Major Projects Approved in 2009

(in millions of dollars)

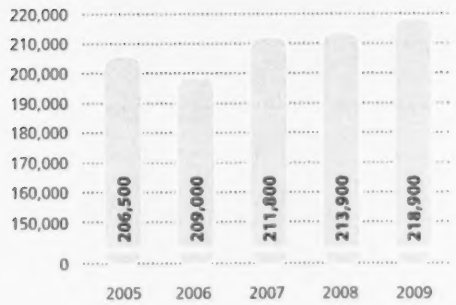
Academic Health Sciences E Wing	$ 82.5	(Included in "Institutional & Assembly" above)
New Place of Worship - Holy Family Cathedral	$ 21.0	(Included in "Institutional & Assembly" above)
Expansion/Renovation to Place Riel - U of S	$ 19.4	(Included in "Institutional & Assembly" above)
Addition/Alteration to Care Facility - Oliver Lodge	$ 14.5	(Included in "Institutional & Assembly" above)
Addition/Alteration to High School - Mount Royal	$ 12.1	(Included in "Institutional & Assembly" above)



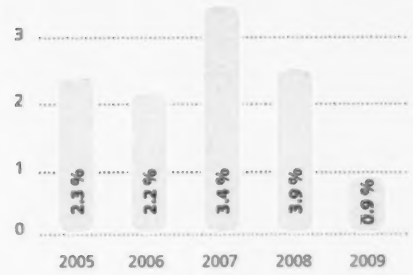


Key Statistics

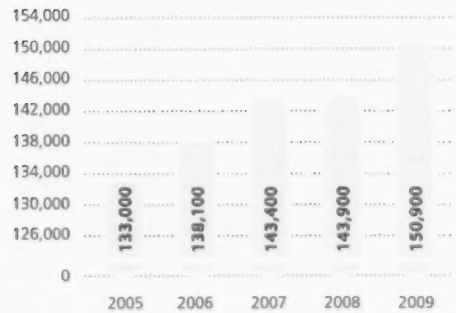
Population
(as at December 31st)



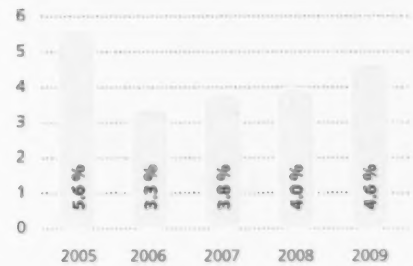
Average Annual Consumer Price Index



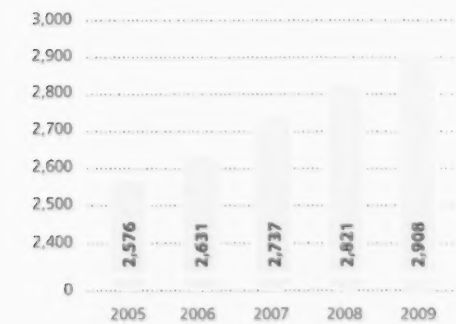
Labour Force
(for month of December)



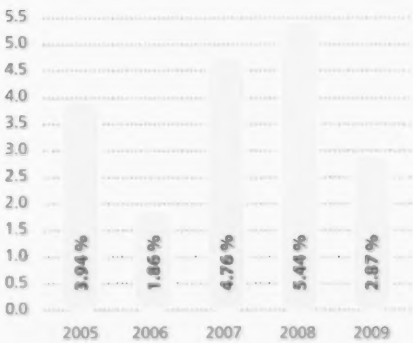
Unemployment
(for month of December)



Municipal Budgeted Staff Years
Including Boards and Commissions - excluding Library



Mill Rate Increase



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